

**The Uniform Minimum Chart of Accounts  
For  
New Jersey Public Schools**

**2003 Edition**



**Effective July 1, 2004**

**STATE OF NEW JERSEY  
DEPARTMENT OF EDUCATION  
DIVISION OF FINANCE  
100 Riverview Plaza  
CN 500  
TRENTON, NEW JERSEY 08625-0500**

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## FOREWORD

This handbook establishes the chart of accounts for use by New Jersey school districts. In accordance with the New Jersey Administrative Code (N.J.A.C. 6A:23-2.1 et seq.), each district shall maintain a uniform system of financial bookkeeping and reporting that is consistent with generally accepted accounting principles (GAAP). “Chart of accounts” means a classification structure for the accounting system that permits the standardization of reported financial data whereby analyses may be performed within and between district boards of education and on a nationwide basis.

The State Board of Education originally authorized The Chart of Accounts on July 1, 1959. In 1992, The Uniform Minimum Chart of Accounts (Handbook 2R2), an amended manual, was published to conform to generally accepted accounting principles (GAAP) as provided by the National Council on Governmental Accounting.

Since the 1992 edition, the information in the Chart of Accounts has been updated with revisions issued in 1994, by annual software vendor letters and budget guidelines, and through the distribution of accounting memos, such as “EDA Grant Accounting” and “Capital Reserve Accounting” which were issued in 2001.

Whole School Reform and school-based budgeting for Abbott districts were implemented subsequent to the 1992 edition with guidance provided through annual Abbott specific budget guidelines as well as any other policy memos issued by the Department. The updated edition of the Chart of Accounts reflects the use of fund 15, a character class within the general fund used for Abbott school-based budgeting and accounting.

This 2003 Chart of Accounts incorporates updates from the 1992 edition to present and distinguishes these updates by yellow highlighting. Gray shading is used to denote new accounts, dimensions or text effective for the 2004-05 fiscal year.

The Government Accounting Standards Board (GASB) issued Statement No.34 (GASB 34) in June 1999 for implementation by June 30, 2004 and had several key implications for the chart of accounts update. GASB 34 eliminated the financial reporting of the general fixed asset account and general long-term debt account groups. Capital assets and long-term debt are now included in the Statement of Net Assets, a district-wide accrual basis statement. Consequently, those account codes which are used in either the proprietary or fiduciary funds (accrual basis) or the governmental column of the district-wide statements (accrual basis) are identified in this updated Chart of Accounts with the phrase [*Accrual basis of accounting*] at the end of the description of the account code. Districts do not need to include all accrual basis account codes in the general ledger software for day-to-day accounting, only those needed for the proprietary and fiduciary funds.

In November 2003, the National Center for Education Statistics (NCES) issued a revised publication Financial Accounting for Local and State School Systems. This is an updated version of the 1990 NCES chart of accounts and is comparable to most account codes in the NJ Chart of Accounts. This edition of the NJ Chart of Accounts uses an asterisk (\*) to identify those accounts which will be used in the annual data collection sent to NCES.

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## **CHAPTER 1**

# **THE ACCOUNT CLASSIFICATION SYSTEM**

## **THE ACCOUNTING SYSTEM**

The accounting system is the means by which financial data is captured during the actual operation of the district, recorded in the books of account, and then analyzed to produce required reports. Financial transactions can be classified to facilitate their accumulation in categories needed for reports. The guidelines here provide a classification structure that will meet most of the accounting system's needs and, by standardizing reported data, will permit reports from different districts to be comparable.

Several principles guided the design of the account classification structure in this publication. Taken together, they support the needs of decision-makers - school officials, other public officials, creditors, and the general public - who use district financial reports. These principles are as follows:

1. The chart of accounts encourages full disclosure of the financial position of the local education agency (LEA). Emphasis is placed on the accurate classification of financial transactions. Expenditures are recorded in the accounting categories applicable, regardless of the implications of some of those decisions.
2. Comprehensiveness of financial reporting is encouraged. The LEA should incorporate all financial activities into a single accounting and reporting system for full disclosure. The account classifications here encourage this procedure. Accounts for such activities as food services, student activities, community services, and commercial-like enterprises all should be included in the financial reports of the LEA.
3. Simplified reporting is encouraged. Only the minimum number of funds consistent with legal and operating requirements should be established, since unnecessary funds result in undue complexity and inefficient financial administration.
4. Financial reporting emphasizes the results of LEA operations more than the resources applied. The account code structure emphasizes program accounting and the application of supporting services costs to the "products" of the educational enterprise.
5. The account classification system is flexible: it meets the needs of both small and large LEAs while retaining comparability of reported data. The guidelines here include a minimum list of accounts essential for state reporting.
6. The classification of accounts and the recommended reporting structure remain in accordance with GAAP.

## THE ACCOUNT CLASSIFICATION STRUCTURE

This publication provides for classifying three basic types of financial activity: revenues and other sources of funds, expenditures and other uses of funds, and transactions affecting the balance sheet. For each type of transaction, the specific account code is made up of a combination of classifications called dimensions. Each dimension describes one way of classifying financial activity. A school location dimension is only required for districts receiving Demonstrably Effective Program Aid (DEPA) and schools implementing school-based budgeting. The dimensions applicable to each type of transaction are as follows:

Revenues	Expenditures	Balance Sheet
Fund	Fund	Fund
Revenue Source	Program & Project/Reporting	Balance Sheet Account
Program & Project/Reporting	Function	
Location	Object	
	Location	

Coding structures applicable to each dimension are shown below. An additional identifying dimension may be added, if required, to accommodate computerized record keeping systems. Also, depending on each district's needs, the location dimension may be either two or three digits.

### Revenues

<u>Fund</u>	<u>Revenue Source</u>	<u>Program and Project/Reporting</u>	<u>Location</u>
xx	xxxx	xxx	xxx

### Expenditures

<u>Fund</u>	<u>Program and Project/Reporting</u>	<u>Function</u>	<u>Object</u>	<u>Location</u>
xx	xxx	xxx	xxx	xxx

### Balance Sheet

<u>Fund</u>	<u>Balance Sheet Account</u>
xx	xxx

## REVENUE DIMENSIONS

### Fund (Subfund)

A fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources. It also contains all related liabilities and residual equities or balances, or changes therein. Funds are established to carry on specific activities or attain certain objectives of an LEA

according to special legislation, regulations, or other restrictions. A list of funds, descriptions, and account codes is provided in Chapter 2.

#### Program and Project/Reporting

See program and project/reporting under expenditure dimensions.

#### Revenue Source

This dimension classifies revenue by type and source. There are four broad source categories: local, intermediate, state, and federal.

#### Location

See location under expenditure dimensions.

### **EXPENDITURE DIMENSIONS**

#### Fund (Subfund)

See Revenue Dimensions.

#### Program and Project/Reporting

Programs and projects are activities and procedures designed to accomplish an objective or set of objectives.

#### Function

The function describes the activity for which a service or material object is acquired. Functions consist of activities which have the same general operational objectives. Furthermore, categories of activities comprising each of these divisions are grouped according to the principle that the activities should be combinable, comparable, relatable, and mutually exclusive.

#### Object

The object is the service or commodity bought. These categories are divided into subobjects for more detailed accounting.

#### Location

The location code identifies the individual schools of the district. This is mandatory for districts receiving DEPA, and districts implementing whole school reform. Required maintenance under Education Facilities Construction Financing Act (EFCFA) is to be reported by school facility.

### **BALANCE SHEET DIMENSIONS**

#### Fund (Subfund)

See Revenue Dimensions.



### Balance Sheet Account (Account Type)

These classifications correspond to the items normally appearing on the balance sheet. A listing of balance sheet accounts, descriptors, and codes is contained in Chapter 2.

## **THE MINIMUM CHART OF ACCOUNTS**

Used in its entirety, the chart of accounts classification structure (particularly the expenditure classifications) can generate a variety of detailed data. Hence, an LEA may choose in some ways which parts of the system it needs or wants to use. It may choose:

1. to design its own program and project/reporting code structure.
2. to expand the level of detail of the function or object dimension by using more specific categories described in the chart of accounts (the three-digit function code may be expanded to four digits).
3. to add dimensions not included in the publication such as organizational unit, level of instruction or job classification.

Whatever course an LEA chooses, it must follow a certain minimum list of these classifications to meet state reporting requirements. Dimensions, accounts, and coding structures listed in this chart of accounts are minimum requirements unless labeled as optional.

A district must prepare a revenue and expenditure report each month and a final year-end report in conformity with the dimensions, accounts, coding structures and minimum requirements outlined in this publication. Such reports must be in addition to any expanded formats a district may design on its own.

Budgetary records must be maintained in conformity with the annual school district budget and supplemented as necessary. Supplemental budgetary records for special projects must be maintained in conformity with the uniform grant project budget statement. It should be noted that supplemental records are required to account for the approved plans of Abbott and Special Needs districts.

## CHAPTER 2

### ACCOUNT CLASSIFICATION DESCRIPTIONS

This chapter describes the account classification structure in greater detail. Each component of the dimensions in the accounting system are numbered and defined. This chapter contains five sections: funds, revenue classifications, expenditure classifications, balance sheet accounts, and miscellaneous accounts.

#### SECTION 1. - FUND DESCRIPTIONS

Governmental accounting systems should be organized and operated on a fund basis. The diverse nature of governmental operations and the necessity of assuring legal compliance preclude recording and summarizing financial transactions in a single accounting entity. Instead, the required accounts are organized on the basis of funds, each of which is completely independent of another. Each fund must be so accounted for that the identity of its resources, obligations, revenues, expenditures, and fund equities is continuously maintained. These purposes are accomplished by providing a complete self-balancing set of accounts for each fund which shows its assets, liabilities, reserves, fund balances, revenues, and expenditures.

A fund is a fiscal and accounting entity, with a self-balancing set of accounts recording cash and other resources, together with all related liabilities and residual equities or balances, or changes therein. If one were to compare fund accounting with commercial accounting, each fund would equate to an independent business, with a separate set of records owned by one entity, the district.

The classifications of funds included here are similar to those used by other state and local government units and follow the new reporting structure required by GASB 34. They consist of the following:

**Governmental Fund Types.** The funds through which most district functions are typically financed. The reporting focus of these funds is on determining financial position rather than net income. Governmental funds track the financial activity of the LEA's basic services such as regular and special education. The governmental fund category includes the general fund, special revenue funds, capital projects fund, debt service funds, and permanent funds.

**Proprietary Fund Types.** The funds used to account for district activities for which a fee is charged to external users for goods or services. The proprietary fund category includes enterprise and internal service funds.

**Fiduciary Fund Types.** The funds used to account for assets held by a district as trustee or agent for individuals, private organizations, or other governmental units and therefore not available to support the district's own programs. Fiduciary funds are comprised of Trust and Agency Funds and include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds. Each trust fund is treated for accounting measurement purposes in a manner similar to either a governmental fund or a proprietary fund. Trust funds are distinguished from agency funds generally by the existence of a trust agreement that affects the degree of management involvement and the length of time that the resources are held. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurements of results of operations.

Governmental Funds

<u>Code</u>	<u>Description</u>
<b>10</b>	<b><u>General Fund.</u></b> Accounts for all financial resources of the district except those required to be accounted for in another fund. General fund balance sheet and revenue accounts use fund code 10. A district may have only one general fund. Expenditure reporting requires further breakout in the fund code for character class delineation as follows:
11	<u>General Current Expense.</u> Accounts for all expenditures of the district for current expenses. Expenditures included here would be regular program instruction costs and the administrative and other support services costs related to providing the district's normal operations.
12	<u>Capital Outlay.</u> Accounts for all expenditures of the district for capital outlay supported by current revenues. It includes increases in the general fund capital reserve, equipment purchases, and facilities acquisition and construction services. Payments made on the lease purchase of equipment are recorded as rental payments under the appropriate program/function in general current expense, not capital outlay.
13	<u>Special Schools.</u> Accounts for all expenditures of the LEA other than state and federal grants for current expenses of special schools. It includes the entire cost of adult school programs, including community schools.
15	<u>Whole School Reform.</u> Accounts for all revenue and expenditures, by school, for those Abbott schools participating in whole school reform/school-based budgeting.  Districts participating in whole school reform must record all the revenues and expenditures of all schools participating in whole school reform separately in character class 15. Revenues for schools not participating in whole school reform would be recorded in fund code 10.
<b>20</b>	<b><u>Special Revenue Funds.</u></b> Account for the proceeds of specific revenue sources (other than trusts or major capital projects) that are legally restricted to expenditures for specified purposes. Some examples of special revenue funds might include restricted state or federal grants-in-aid and restricted tax levies. One fund is used supplemented by the use of program codes.
<b>30</b>	<b><u>Capital Projects Funds.</u></b> Account for financial resources used to acquire or construct major capital facilities (other than those of proprietary and fiduciary funds). The source of revenue in this fund would be the sale of bonds, grants, or transfers from the general fund to augment the grant. Separate accounting must be used for each capital project.
<b>40</b>	<b><u>Debt Service Funds.</u></b> Account for the accumulation of resources for, and the payment of, long-term debt, principal and interest. The source of revenue in this fund would be state aid, debt service tax levy, transfers from capital projects after completion of the original purpose or transfers from general fund capital reserve.
<b>50</b>	<b><u>Permanent Funds.</u></b> Account for resources legally restricted such that only earnings, and not the principal, may be used to support the district's activities. An example is a fund

established by an outside contributor with the restriction that only the income may be used. Permanent funds do not include trust and agency funds (defined below).

### Proprietary Funds

#### Code      Description

**60**      **Enterprise Funds.** May be used to account for any activity for which a fee is charged to external users for goods or services. The enterprise fund is required to be used for any activity whose principal revenue sources meet any of the following criteria:

- Laws or regulations require the district to recover costs through fees and charges.
- The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service).
- Debt is backed solely by revenues from fees and charges (thus, not debt that is backed by the full faith and credit of the district).

Some examples of enterprise funds include funds used for the food service program, a bookstore operation, an athletic stadium, and a community swimming pool. Insignificant activities of districts are not required to be included in enterprise funds.

**70**      **Internal Service Funds.** Account for any activity that provides goods or services to other district funds, other districts, or to other governmental units, on a cost-reimbursable basis. Some examples of internal service funds could include central warehousing and purchasing, central data processing, and central printing and duplicating. Internal service funds are used if the reporting government is the predominant participant in the activity. Otherwise, the activity should be reported as an enterprise fund.

### Fiduciary Funds

#### Code      Description

**80**      **Trust Funds.** Account for assets held in a trustee capacity for others and therefore cannot be used to support the district's own programs. Three trust fund types are used to account for resources held and administered by the district when it is acting in a fiduciary capacity for individuals, private organizations or other governmental units. These funds are distinguished from agency funds generally by the existence of a trust agreement that affects the degree of management involvement and the length of time that the resources are held.

**81**      **Pension and Other Employee Benefit Trust.** Account for resources held in trust for the members and beneficiaries of various employee benefit plans.

**82**      **Investment Trust Funds.** Account for the portion of investment pools reported by the sponsoring district.

**83**      **Private Purpose Trust Funds.** Account for all other trust arrangements, such as a scholarship fund to benefit individual students.

**90**      **Agency Funds.** Account for resources held by the reporting district in a purely custodial capacity that involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. Districts must maintain the financial integrity of the individual agencies through a separate accounting

of each activity for which the district is acting as an agent. Agency funds would include a central payroll (clearing) account, parent-teacher organizations and student activity accounts.

95

Student Activity Funds. Funds which are owned, operated, and managed by the student body under the guidance and direction of adults or a staff member for educational, recreational, or cultural purposes. Although the board of education has the ultimate responsibility for student activity funds, in most cases they are not school district funds. If the board of education subsidizes a portion of a student activity fund, that subsidy should be included in the regular budget of that district. Some examples of student activity funds include:

1. Homeroom
2. Yearbook
3. Class Years
4. Choral and Band Groups
5. Classes
6. Student Clubs
7. Student Council
8. Student Sponsored Bookstores

<b><u>Revenue</u></b>	
<b><u>Source</u></b>	
<b><u>Code</u></b>	<b><u>Description</u></b>

## **SECTION 2. - REVENUE CLASSIFICATIONS**

Revenues are classified by type and source for the various funds of a district. The term revenues means increases in (sources of) fund financial resources other than from interfund transfers and debt issue proceeds and redemptions of demand bonds. Revenues are generally additions to assets that do not increase any liability, and do not represent the cancellation of certain liabilities without a corresponding increase in other liabilities or a decrease in assets.

### **PROGRAM AND PROJECT/REPORTING**

When an LEA receives money for restricted uses, it frequently must prepare a report showing the amount received and the amounts expended for those purposes. When revenues of this nature are received, the LEA would assign a program and project/reporting classification to the revenue transactions. The structure and classification of the program and project/reporting codes assigned would be identical to those in the program and project/reporting code used to classify expenditures. The third section of this chapter, "Expenditure Classifications" provides a detailed discussion of the program and project/reporting dimension. Otherwise, 000 is assigned as the program and project/reporting dimension of revenue accounts.

### **REVENUE SOURCE**

Revenues are classified by four major sources: local, intermediate, state, and federal. Within each source of revenue, individual items of revenue are classified into basic groupings of similar types of revenue such as taxes or tuition. These group headings are not account titles; they are used only as a convenient means of identifying specific revenue accounts.

The revenue source classification includes "other financing sources" which constitute fund revenues in a strict fund accounting context, but are not considered revenues to the LEA. They include the sale of bonds and the receipt of interfund transfers. These other sources are described in the 5000 accounts.

In coding the revenue accounts, adherence to the federal publication Financial Accounting for Local and State School Systems has been maintained wherever possible. This will result in some instances in a skip in number sequence. An asterisk placed after an account code indicates the account is a federal reporting account code.

**Revenue**  
**Source**  
**Code**

**Description**

<b>1000</b>	<p><b><u>Revenue from Local Sources.</u></b> Revenue from local sources is the amount of money produced within the boundaries of the LEA and available to the LEA for its use. Money collected in the same amount by another governmental unit as an agent of the LEA (less collections costs) is recorded as revenue from local sources. Shared revenue (revenue levied by another governmental unit, but shared in proportion to the amount collected within the LEA) is also recorded as revenue from local sources.</p> <p>Revenue from local sources may be either restricted or unrestricted. Restricted revenues would be recorded in the special revenue fund and unrestricted revenues would be recorded in the general fund. Restricted revenues from local sources would include funds received from a local foundation, trust, booster club, or individual that has provided the funds for an express written purpose.</p>
1200*	<b><u>Revenue from Local Governmental Units other than LEAs.</u></b> Revenue received from the appropriations of another local governmental unit.
1210*	<b><u>Ad Valorem Taxes – Local Tax Levy.</u></b> Taxes levied for school purposes by a local governmental unit other than the LEA. The LEA is not the final authority, within legal limits, in determining the amount to be raised. For example, after an LEA has determined that a certain amount of revenue is necessary, another governmental unit may exercise discretionary power in reducing or increasing the amount.
1220	<b><u>Municipal Surplus.</u></b> Revenue from unappropriated surplus or from unappropriated anticipated receipts of a municipality or municipalities, which has been transferred to the LEA.
1230	<b><u>Other Revenue from Local Governmental Units Other Than LEAs.</u></b>
1300	<b><u>Tuition.</u></b> Revenue from individuals, other LEAs and other sources for education provided by the LEA. Fees for adult education programs are recorded in account 1990. (Note: county vocational and special services districts – see Section 6 for tuition account codes available for use by vocational and special services districts). <b>Used only with the general fund.</b>
1310*	<b><u>Tuition From Individuals.</u></b> Tuition paid by an individual to attend school in an LEA other than the one in which they reside.
1320*	<b><u>Tuition from Other LEAs within the State.</u></b> Tuition received from an LEA located within New Jersey for educating students residing within the paying district.
1321*	<b><u>Tuition from Other Governmental Sources within the State.</u></b> Tuition received from a governmental source located in New Jersey such as tuition paid by the court system.
1330*	<b><u>Tuition from Other LEAs Outside the State.</u></b> Tuition received from an LEA located outside of New Jersey for educating students residing outside the state.

**Revenue**  
**Source**  
**Code**

**Description**

1340*	<u>Tuition from Other Sources.</u> Includes tuition received from sources both within and outside of New Jersey paid to an LEA for educating students not specifically referenced elsewhere in the 1300 series.
1350	<u>Tuition From Summer School.</u> This account is available to regular districts only.
1400	<u>Transportation Fees.</u> Revenues derived from individuals, other LEAs, and other sources for transporting students to and from school and school activities. Used only with fund 10.
1410*	<u>Transportation Fees From Individuals.</u> Fees paid by parents/guardians for transporting students who reside outside the zone of free public school busing (subscription busing). Also included are fees paid by students for transportation on school field trips.
1420*	<u>Transportation Fees from Other LEAs within the State.</u> Fees paid by other LEAs located within the state for transporting their students between home and school.
1421*	<u>Transportation Fees From Other Government Sources Within the State.</u> Fees paid by municipal governments for non-mandated transportation.
1440*	<u>Transportation Fees from Other Sources.</u> This account is used for transportation fees not specifically included above.
1500*	<u>Earnings on Investments.</u> Revenues from holdings (short and long-term) invested for earnings purposes. Earnings on investments are most commonly used with general fund 10, capital projects fund 30, and debt service fund 40.
1510	<u>Interest On Investments.</u> Interest revenue on the investments authorized by New Jersey statutes.
1520	<u>Dividends on Investments.</u> Revenue from dividends on stocks held for investment.
1530	<u>Gains or Losses From Investments.</u> Gains or losses recognized from the sale of investments or changes in the fair value of investments. Gains represent the excess of sale proceeds (or fair value) over cost or any other basis of the date of sale (or valuation) over sales value (or fair value). All recognized investment gains may be accounted for by using the 1531 and 1532 accounts. For financial statement purposes, GASB Statement 31 requires that all investment income, including the changes in fair value of investments, be reported as revenue in the operating statement.
1531	<u>Realized Gains (Losses) on Investments.</u> Gains or losses realized from the sale of investments. Gains represent the excess of sale proceeds over cost or any other basis on the date of sale. Losses represent the excess of the cost or any other basis at the date of sale over sales value. Note that for financial statement purposes, the net of all realized and unrealized investment gains and losses should be reported as a single line in the financial statements.



**Revenue**  
**Source**  
**Code**

**Description**

- 1532 Unrealized Gains (Losses) on Investments. Gains or losses recognized from changes in the value of investments. Gains represent the excess of fair value over cost or any other basis on the date of valuation. Losses represent the excess of the cost or any other basis at the date of valuation over fair value. For financial reporting purposes, the net of all realized and unrealized investment gains and losses should be reported as a single line in the financial statements.
- 1540 Investment Income From Real Property. Revenue for rental, use charges, and other income on real property held for investment purposes. Note that rentals of real property not held for investment purposes should be posted to revenue code 1910.
- 1600\* Food Service. Revenues from dispensing food to students and adults.
- 1610 Daily Sales - Reimbursable Programs. Revenues from students for the sale of breakfasts, lunches and milk that are considered reimbursable programs by the United States Department of Agriculture. Federal reimbursements are recorded in account 4460 series, Child Nutrition Programs.
- 1611 Daily Sales - School Lunch Program. Revenue from students for the sale of reimbursable lunches as part of the National School Lunch Program.
- 1612 Daily Sales - School Breakfast Program. Revenue from students for the sale of reimbursable breakfasts as part of the School Breakfast Program.
- 1613 Daily Sales - Special Milk Program. Revenue from students for the sale of reimbursable milk as part of the Special Milk Program.
- 1614 Daily Sales – After School Program. Revenue received from students for the sale of reimbursable costs from after-school programs.
- 1620 Daily Sales – Non-reimbursable Programs. Revenue from students and adults for the sale of nonreimbursable breakfasts, lunches and milk. This category would include all sales to adults, the second type A lunch to students, and a la carte sales.
- 1630 Special Functions. Revenue from students, adults or organizations from the sale of food products and services considered special functions. Some examples would include potlucks, PTA-sponsored functions, and athletic banquets.
- 1700\* District Activities. Revenue resulting from co-curricular and extra-curricular activities controlled and administered by the school district. These revenues are not to be commingled with the proceeds from student activities. (See section on agency funds for student activity funds.)
- 1710 Admissions. Revenue from patrons of a school-sponsored activity such as a concert, school play, or athletic event.
- 1720 Bookstore Sales. Revenue from school-sponsored bookstores.

**Revenue**  
**Source**  
**Code**

**Description**

1730	<u>Student Organization Membership Dues and Fees.</u> Revenue from students for memberships in school clubs or organizations.
1750*	<u>Revenue from Enterprise Activities.</u> Revenue (gross) from vending machines, school stores, soft drink machines, and so on, not related to the regular food service program. These revenues are normally associated with activities at the school level that generate incremental local revenues to be used for the benefit of the school.
1790	<u>Other Activity Income.</u> Other revenue from school or district activities not specifically included above.
1800*	<u>Revenue from Community Services Activities.</u> Revenue from community service activities operated by the LEA. For example, the revenue from the operation of a swimming pool by an LEA as a community service would be recorded here. Multiple classifications may be established within this series to differentiate activities.
1900	<u>Other Revenues from Local Sources.</u>
1910*	<u>Rentals.</u> Revenue from the rental of either real or personal property owned by the LEA. Note that rental income from real property held for investment is posted to revenue code 1540.
1920*	<u>Contributions and Donations From Private Sources.</u> Revenue received from a philanthropic foundation, private individuals or private organizations for which no repayment or special service to the contributor is expected. This code should be used to record on-behalf payments made by private organizations to school district personnel, such as stipends paid to teachers.
1930*	<u>Gains or Losses on Sale of Capital Assets.</u> The amount of revenue over the book value of the fixed assets sold. For example, the gain on the sale would be the portion of the selling price received in excess of the depreciated value (book value). This account is used in the proprietary funds or fiduciary funds. For funds other than proprietary and fiduciary, account 5300 is used to report the proceeds from the disposal of assets. <i>[Accrual basis of accounting]</i>
1940*	<u>Textbook Sales and Rentals.</u> Revenue from the sale or rental of textbooks <b>not including</b> sales from regular bookstore operations.
1950*	<u>Services Provided Other LEAs.</u> Revenue from services provided to other LEAs other than for tuition and transportation services. For example, data processing, printing, and purchasing.
1960*	<u>Services Provided Other Local Governmental Units.</u> Revenue from services provided to governmental units other than LEAs. For example, data processing, printing, and purchasing.
1970*	<u>Services Provided To Other Funds.</u> Revenue from services provided to other funds such as printing, purchasing, or data processing.

**Revenue**  
**Source**  
**Code**

**Description**

1980*	<u>Refund of Prior Year's Expenditures.</u> Revenues recorded for refunds in the current year of expenditures made in the prior year. If refund and expenditure occurred in the current year, current year expenditures are reduced, as prescribed by GAAP. Tuition overpayments are not considered miscellaneous income, but rather a reduction to the expenditure in the year of refund.
1981	<u>State Health Benefits Refund.</u> Revenues recorded for refunds of employer premiums paid on behalf of employees of the LEA.
1990*	<u>Miscellaneous Revenue from Local Sources.</u> Revenue from local sources not provided for elsewhere. Recorded under this classification would be book fines and fees collected for non-accredited adult education program fees.
2000*	<p><b><u>Revenue from Intermediate Sources.</u></b> Revenue from intermediate sources is revenue from funds collected by an intermediate administrative unit, or a political subdivision between the LEA and the State, and distributed to LEAs in amounts that differ in proportion to those which were collected within such systems.</p> <p>An illustration of revenue from intermediate sources is a property tax levied and collected by a county government, which then distributes the money collected to the LEAs on a flat grant or foundation-aid basis.</p>
2100*	<u>Unrestricted Grants-in-Aid.</u> Revenue recorded as grants by the LEA from an intermediate unit, which can be used for any legal purpose by the LEA without restriction.
2110	<u>County Transportation Contributions.</u>
2200*	<u>Restricted Grants-in-Aid.</u> Revenue recorded as grants by the LEA from an intermediate unit that must be used for a categorical or specific purpose. If such money is not completely used by the LEA, it must be returned, usually, to the intermediate governmental unit.
2300*	<u>Revenue in Lieu of Taxes.</u> Commitments or payments made out of general revenues by an intermediate governmental unit to the LEA in lieu of taxes it would have had to pay had its property or other tax base been subject to taxation by the LEA on the same basis as privately owned property or other tax base. It would include payments in lieu of taxes on privately owned property that is not subject to taxation on the same basis as other private property because of an action taken by the intermediate governmental unit.
2400*	<u>Revenue for/on Behalf of the LEA.</u> Commitments or payments made by an intermediate governmental jurisdiction for the benefit of the LEA including contributions of equipment or supplies. Such revenue includes payments to a pension fund by the intermediate unit on behalf of an employee of the LEA, and a contribution of capital assets by an intermediate unit to the LEA. Separate accounts may be maintained to identify the specific nature of the revenue item.

**Revenue**  
**Source**  
**Code**

**Description**

<b>3000*</b>	<b><u>Revenue from State Sources.</u></b> Revenue from funds produced within the boundaries of and collected by the State and distributed to LEAs in amounts proportionately different from those collected within such LEAs.
3100	<u>Unrestricted Grants-in-Aid.</u> Revenue from state funds which can be used without restriction for any legal purpose desired by the LEA with any unspent balances remaining with the LEA.
3111	<u>Core Curriculum Standards Aid.</u> State aid for providing a thorough and efficient educational system. All school districts receive aid based proportionately upon each district's enrollment, property wealth and income.
3112	<u>Supplemental Core Curriculum Standards Aid.</u> State aid for only those school districts that meet a predefined eligibility requirement.
3114	<u>Abbott Parity Remedy Aid.</u> State aid provided to the Abbott school districts in order to equate their per pupil spending to that of districts in District Factor Groups I and J districts (highest average per-pupil spending groups), thereby furthering student attainment in reaching the Core Curriculum Content Standards.
3115	<u>Additional Abbott v Burke Aid.</u> Additional state aid provided to those Abbott school districts who anticipate that their combined total revenues will not be sufficient to fund an essential program or service as required under whole school reform and/or core curriculum standards.
3116	<u>School Choice Aid.</u> State Aid based on actual enrollment plus the number of projected choice students for the following period.
3120	<u>Transportation Aid.</u> State aid for transporting students to and from school and school activities.
3130	<u>Special Education Aid.</u> State aid for special education classes and services.
3131	<u>Extraordinary Aid.</u> This account is used to record additional state aid provided to assist the district with special education costs.
3140	<u>Bilingual Education Aid.</u> State aid for pupils enrolled in approved bilingual education programs.
3160	<u>Debt Service Aid Type II.</u> State aid for the payment of debt service. This classification is used in the debt service fund.
3171	<u>Stabilization Aid.</u> State aid beginning during the 1997-98 school year for districts to implement programs required under the Comprehensive Educational Improvement and Financing Act of 1996.

**Revenue**  
**Source**  
**Code**

**Description**

- 3172 Supplemental Stabilization Aid. State aid beginning during the 1997-98 school year for school districts that experience a decline in certain aids from the prior year when there is a predefined change in resident enrollment or a reduction in the equalized tax rate.
- 3190 Other Unrestricted State Aid. Unrestricted state aid not specifically included elsewhere.
- 3191 Aid for Adult and Post-Graduate Programs. This aid category is used by regular and vocational districts only.
- 3193 Academic Achievement Reward Program. State aid for school districts that meet defined criteria in achieving success toward high student academic achievement for one or more schools.
- 3194 Teacher Quality Mentoring. State aid for the Teacher Mentoring program activities. This program reimburses districts for the stipends paid to experienced teachers who serve as mentors to new teachers. (COA Update 11/04).
- 3195 Consolidated Aid. Consolidated Aid is a component of a district's unrestricted general fund revenue. Represents the consolidation and redistribution of distance learning network aid, adult high school/post graduate aid, and academic achievement rewards, which along with additional supplemental funds are provided to districts on a per-pupil basis.
- 3196 Additional Formula Aid. New aid category in 2004-05 provided to regular and vocational districts. (COA Update 11/04).
- 3200 Restricted Grants-in-Aid. Revenue from state funds which must be used for a specific purpose. Restricted grants-in-aid, other than for debt service, are classified in the special revenue fund 20.
- 3210 Restricted Formula Aids. Restricted state aids that are dedicated, nonlapsing sources of funds.
- 3211 Early Childhood Program Aid and Prior Year Carryover. State aid provided to all school districts with high concentrations of low-income pupils, for the purpose of providing full-day kindergarten and preschool classes and other early childhood programs and services.
- 3212 Demonstrably Effective Program Aid and Prior Year Carryover. State aid provided to all school districts having schools with high concentrations of low-income pupils, for the purpose of providing instructional, school governance, and health and social service programs. Separate program and service accounts must be maintained in the special revenue fund.
- 3213 Distance Learning Network Aid and Prior Year Carryover. State aid provided to support distance learning activities and services, to assist all pupils in achieving New Jersey's Core Curriculum Standards. Used for developing plans, equipment, wiring, access fees, software and supplies, professional development, staffing, maintenance and other uses that may be necessary for the establishment of effective distance learning networks.

**Revenue**  
**Source**  
**Code**

**Description**

- 3214 Instructional Supplemental Aid and Prior Year Carryover. State aid provided to qualifying school districts to provide supplemental services for students from low-income families. Allowable supplemental services are those demonstrably effective programs, strategies or services either identified in N.J.S.A. 18A-7F-18 or approved by the State Board.
- 3215 Abbott Preschool Expansion Aid. State aid for funding Abbott districts' increase in DOE approved costs over the preceding year for the projected expansion of preschool programs.
- 3220 State School Lunch Program. State reimbursements from the state program for school lunches.
- 3230 Restricted Nonpublic Aids. Revenue received from the State for the cost of providing nonpublic school students with nursing, technology, textbooks, transportation, auxiliary, and handicapped services. Unique program codes are used to track each restricted aid separately. See program code 500 for individualized programs. Used only with fund 20.
- 3231 Nonpublic Textbook Aid Revenue received from the state for the cost of textbooks purchased and loaned to nonpublic school students. This classification is used in the special revenue fund.
- 3232 Nonpublic Auxiliary Services Aid – Compensatory. Revenue received from the state for the cost of providing compensatory education to nonpublic school students. This classification is used in the special revenue fund.
- 3233 Nonpublic Auxiliary Services Aid – E.S.L. Revenue received from the State for the cost of providing English as a Second Language programs to nonpublic students. This classification is used in the special revenue fund.
- 3234 Nonpublic Auxiliary Services Aid – Home Instruction. Revenue received from the State for the costs of providing home instruction to nonpublic students. This classification is used in the special revenue fund.
- 3235 Nonpublic Auxiliary/Handicapped Transportation Aid. Revenue received from the state for the cost of providing transportation to nonpublic students. This classification is used in the special revenue fund.
- 3236 Nonpublic Handicapped Aid – Supplemental Instruction. Revenue received from the state for the cost of providing supplementary instruction to nonpublic students. This classification is used in the special revenue fund.
- 3237 Nonpublic Handicapped Aid. Revenue received from the State for the cost of providing identification, examination and classification services to nonpublic students. This classification is used in the special revenue fund.

**Revenue**  
**Source**  
**Code**

**Description**

- 3238 Nonpublic Handicapped Aid – Speech Correction. Revenue received from the state for the cost of providing speech correction services to nonpublic students. This classification is used in the special revenue fund.
- 3239 Nonpublic Nursing Services Aid. Revenue received from the State for the cost of providing nursing services to nonpublic students. This classification is used in the special revenue fund.
- 3240 Nonpublic Technology Initiative Aid. Revenue received from the state for the cost of providing technology including computers, software, networks, distance learning equipment, and other technologies to all students attending a nonpublic school located in the public school district. This classification is used in the special revenue fund.
- 3245 Emergency Aid. State aid to meet unforeseeable conditions.
- 3250 Additional State School Building Aids.
- 3251 Additional State School Building Aid – Chapter 177. State aid for financing the cost of school facilities. This classification is used in the debt service fund.
- 3252 Additional State School Building Aid – Chapter 10. State aid for financing the cost of school facilities. This classification is used in the debt service fund.
- 3253 Additional State School Building Aid – Chapter 74. State aid for financing the cost of school facilities. This classification is used in the debt service fund.
- 3255 Additional State School Building Aid – EDA Grant. Revenue item used in the Capital Projects Fund to record the EDA grant.
- 3260 General Vocational Education. State aid in the form of grants issued by the Division of Vocational Education for general vocational education programs including district and regional vocational education, industrial education, and work study programs. Each grant should be detailed separately by use of the program and project/reporting code.
- 3270 Adult and Continuing Education. State aid in the form of grants issued by the Division of Adult Education for evening adult and continuing education programs including high school completion, evening vocational, and adult education. Each grant should be detailed separately by use of the program and project/reporting code.
- 3280 Evening School for the Foreign-Born. State aid for operation of an evening school for the foreign-born.
- 3290 Other Special State Projects. Other restricted state grants not detailed above. Detailed separately by use of program and project/reporting code.
- 3900\* Revenue for/on Behalf of the School District. Commitments or payments made by the State for the benefit of the school district, or contributions of equipment or supplies. Such revenue includes the payment to a pension fund by the State on behalf of an LEA

**Revenue**  
**Source**  
**Code**

**Description**

employee for services rendered to the LEA. It would include a contribution of capital assets by a State unit to the LEA. Separate accounts may be maintained to identify the specific nature of the revenue item.

3901 T.P.A.F. Pension Aid.

3902 T.P.A.F. Social Security Aid.

**4000**

**Revenue from Federal Sources.** Revenue from federal sources is revenue from funds collected by the federal government and distributed to LEA in amounts that differ in proportion from those which were collected within such LEA. In determining whether a revenue is federal revenue, it is unimportant whether the funds are distributed directly to the school district by the federal government or through some intervening agency such as the State. When a school district does not have a method for determining the prorated share of federal, state and other sources of revenue in a commingled grant, the distributing agency should provide this information to the school district. When recording reimbursement for indirect costs, the revenue should be recorded in the fund and revenue source classification for the program for which the indirect costs are claimed.

4100\* Unrestricted Grants-in-Aid Direct From the Federal Government. Revenues direct from the federal government as grants which can be used for any legal purpose desired without restriction. Includes Impact Aid.

4200\* Unrestricted Grants-in-Aid from the Federal Government through the State. Revenues from the federal government through the State as grants which can be used for any legal purpose desired without restrictions. Includes Medicaid Reimbursement revenue.

4300\* Restricted Grants-in-Aid Direct From the Federal Government. Revenue direct from the federal government as grants that must be used for a categorical or specific purpose. If such money is not completely used, it usually is returned to the governmental unit. This classification is used in the special revenue fund 20.

4400\* Restricted Grants-in-Aid from the Federal Government through the State. Revenues from the federal government provided through the State as grants that must be used for a categorical or specific purpose. If such money is not completely used, it usually is returned to the governmental unit. Included in this area are funds received under IASA, IDEA, Vocational Programs – Carl Perkins Act, Goals 2000, Adult Education, Child Development Programs, Child Nutrition Programs, and No Child Left Behind (NCLB). Districts receiving funds that are not identified below by a unique revenue code are to code such funds to series 4500-4599. Note that NCLB codes have been assigned account ranges.

**4411-4416** The following NCLB grants utilize this revenue code range:

Title I-Part A - Improving Basic Programs.

Title I- Part A - SIA School Improvement.

Title I- Part D - Neglected, Delinquent, or At Risk.



**Revenue**  
**Source**  
**Code**

**Description**

- 4417-4418 Range used for the following programs:  
Title VI- Rural and Low-Income School Programs.
- 4420-4429 I.D.E.A. Part B - Individuals with Disabilities Education Act. Federal entitlement grants recorded in the special revenue fund and separated in the IDEA accounts by title and approved project.
- 4430 Carl D. Perkins Vocational and Technical Education Act of 1998. Federal formula grants for improving student achievement and preparing students for postsecondary education, learning, and careers.
- 4438 Other Vocational. Other federal vocational programs. Detail separately by use of program and project/reporting code.
- 4440 Adult Education and Family Literacy.
- 4451-4455 The following NCLB grants utilize this revenue code range:  
Title II-A-Teacher and Principal Training and Recruiting.  
Title II-D-Enhancing Education through Technology.
- 4460 Child Nutrition Programs. Detail separately by use of program and project/reporting code.
- 4461 School Breakfast Program.
- 4462 National School Lunch Program. Use this account also for After School Snack Program as well as School Lunch Program.
- 4463 Special Milk Program for Children.
- 4464 Other Nutrition Reimbursements. Include Summer Food or Childcare Food Program funds in this account.
- 4471-4474 Title IV- Safe and Drug Free Schools.
- 4491-4494 Title III- English Language Enhancement.
- 4495-4499 Title V- Innovative Programs.
- 4500\* Other Restricted Grants-in-Aid from the Federal Government through the State. Federal grants not specifically classified in the preceding range 4400-4499.
- 4600 Revenue for/on Behalf of the LEA. Payments made by the federal government for the benefit of the school district, or contributions of equipment or supplies. It includes a contribution of capital assets by a federal governmental unit to the school district and foods donated by the federal government to the school district. Separate accounts should be maintained to identify the specific nature of revenue items.

**Revenue**  
**Source**  
**Code**

**Description**

4610	<u>U.S.D.A. Commodities.</u> Used to record the full cash equivalent value of U.S.D.A. Commodities. The processing fee should be recorded as an expense.
4700*	<u>Grants-In-Aid from the Federal Government through Other Intermediate Agencies.</u> Revenue from the Federal Government through an intermediate agency. Includes Private Industry Council (JTPA) revenue.
4800*	<u>Revenue in Lieu of Taxes.</u> Payments made out of general revenues by the federal government unit to the LEA in lieu of taxes it would have had to pay had its property or other tax base been subject to taxation by the LEA on the same basis as privately owned property or other tax base.
<b>5000*</b>	<b><u>Other Financing Sources</u></b>
5100	<u>Issuance of Bonds.</u> Used to record the face amount of the bonds that are issued. Short-term debt proceeds should not be classified as revenue. When a school district issues short-term debt (debt with a duration of less than 12 months) that is to be repaid from governmental funds, a liability (notes payable) should be recorded in the balance sheet of the fund responsible for repayment of the debt.
5110*	<u>Bond Principal.</u> Principal from the sale of bonds.
5120	<u>Premium (or Discount) on the Issuance of Bonds.</u> Proceeds from that portion of the sale price of bonds in excess of or below their par value. The premium or discount represents an adjustment of the interest rate and will be amortized using expenditure object account 834 or revenue account 6200.
5200	<u>Interfund Transfers.</u> Amounts transferred from another fund which will not be repaid. Transfers shall be by resolution of the board of education.
5210	<u>Transfer from Capital Reserve.</u> This account is used to record budgeted transfers to the debt service from the capital reserve for the purpose of offsetting principal and interest payments for bonded projects.
5300	<u>Sale or Compensation for Loss of Capital Assets.</u> Amount received, or due to be received, from the sale of school property, or compensation for the loss of capital assets. Any gain on the sale of capital assets for the proprietary funds would be recorded in account 1930.
5400	<u>Loans.</u> Proceeds from loans greater than 12 months.
5500	<u>Capital Leases.</u> Proceeds from leasing of properties.
5600	<u>Lease Purchases.</u> Proceeds from a lease purchase agreement.
5700	<u>Proceeds of Refunding Bonds.</u> Proceeds from bonds issued to refinance an outstanding bond issue before the date the outstanding bonds become due or callable. These proceeds

**Revenue**  
**Source**  
**Code**

**Description**

are deposited in escrow with a fiduciary, invested in U.S. Treasury Bonds or other authorized securities and used to redeem the underlying bonds at their maturity or call date, to pay interest on the bonds being refunded, or to pay interest on the advance refunding bonds.

**5800**      Other Long-Term Debt Proceeds. Used to record proceeds from other long-term debt instruments not captured in the preceding codes (e.g., certificates of obligation).

**6000**      **Other Items**

**6100**      Capital Contributions. Capital assets acquired by donation or bequest from an individual, estate, another government, or a corporation. *[Accrual basis of accounting]*

**6200**      Premium or Discount on the Issuance of Bonds. Credit entries associated with the amortization of debt premiums in connection with the issuance of debt. This account is used with Proprietary and Fiduciary funds. *[Accrual basis of accounting]*

**6300**      Special Items. Used to classify special items in accordance with GASB Statement 34. Included are transactions or events within the control of the school district administration that are either unusual in nature or infrequent in occurrence. For some districts, these include the sale of certain general governmental capital assets; sale of infrastructure assets; or significant forgiveness of debt by a financial institution. Special items may also include events that are not within the control of the district. In the governmental funds, these items should be separately captioned or disclosed. *[Accrual basis of accounting]*

**6400**      Extraordinary Items. Used to classify items in accordance with GASB 34. Included are transactions or events that are outside the control of school district school administration and are both unusual in nature and infrequent in occurrence. *[Accrual basis of accounting]*

### SECTION 3. - EXPENDITURE CLASSIFICATIONS

Expenditures include total obligations incurred, whether paid or unpaid, for current expense, capital outlays, debt service and intergovernmental grants, entitlements and shared revenues. Transfers between funds; exchanges of cash for other current assets such as the investment of cash in U.S. Bonds; payments of cash in settlement of liabilities already accounted as expenditures; and the repayment of the principal of current loans payable in the same fiscal year in which the money was borrowed are not considered expenditures.

The expenditure classifications are divided into the following dimensions:

- Fund
- Program and project/reporting
- Function
- Object
- Location (optional for those districts not receiving DEPA or implementing mandatory school-level accounting)

#### PROGRAM AND PROJECT/REPORTING

Programs and projects are activities and procedures designed to accomplish an objective or set of objectives. Program and project/reporting codes allow districts to accumulate expenditures to meet a variety of specialized reporting requirements at the local, state and federal level. The program and project/reporting code permits the organization of both restricted and unrestricted projects.

The sample coding structure outlined below represents the minimum requirement by the Department of Education (DOE). A district may choose to use the sample coding structure or develop its own program and project/reporting code structure. While DOE approval is not required, any coding system used must contain at least three digits in the program code and must enable districts to meet the minimum reporting and bookkeeping requirements. Budget submission and final reporting must be submitted to the DOE using the minimum coding structure.

The first digit of the three digit program code represents the broad category. The second and third digits show the sequence that individual program/projects appear within each broad category and ensure that each program/project contains a unique code. The three-digit code serves as the program and project/reporting dimension for restricted revenues. There are several program codes in the 200 series that when used in the general fund have a different purpose than when used with the special revenue fund. These program codes will be represented twice, once when used in the general fund and once when used in the special revenue fund, with their related descriptions. Ranges are used to provide flexibility. Districts may select codes that best fit their accounting system where code ranges are presented.

#### Program

##### Code

##### Description

**100**

**Regular Programs - Elementary/Secondary.** Activities that provide students in preschool and grades K-12 with learning experiences to prepare them for activities as citizens, family members, and non-vocational workers. These programs contrast with those designed to improve or overcome physical, mental, social and/or emotional disabilities. Regular program instructional costs include all direct classroom instructional

**Program  
Code****Description**

costs, (i.e., teachers' salaries and other compensation, aids, other instructional staff, classroom speakers, classroom equipment and supplies, etc.) and are recorded under the appropriate grade category program code. Regular home instruction costs should be recorded under program 150. All other regular program instructional costs are recorded under program 190. If teachers cross program categories, their salaries should be prorated based on the time spent in each program. This program series is commonly used in the general fund.

105 Regular Programs- Preschool

110 Regular Programs – Kindergarten.

120 Regular Programs - Grades 1-5.

130 Regular Programs - Grades 6-8.

140 Regular Programs - Grades 9-12.

150 Regular Programs – Home Instruction.

190 Regular Programs - Undistributed.

200

**Special Programs.** Includes activities primarily for students having special needs that require services outside the realm of general education. The special programs include pre-kindergarten, kindergarten, elementary, and secondary services for the cognitive impaired, physically, mentally and behaviorally disabled, culturally different, students with learning disabilities, and bilingual students, along with special programs for other types of students.

When recording special education instructional costs, services that benefit all students in the program classification and are provided in a self-contained classroom, are recorded under the appropriate program category. Salaries should be prorated between programs based on the amount of time spent in each. Special education program codes are generally used with the general fund.

201 Special Education - Cognitive - Mild. Mild cognitively impaired corresponds to educable and means a level of cognitive development and adaptive behavior in home, school and community settings that are mildly below age expectations.

202 Special Education - Cognitive – Moderate.

204 Special Education - Learning and/or Language Disabilities.

206 Special Education - Visual Impairments.

207 Special Education - Auditory Impairments.

209 Special Education - Behavioral Disabilities.

<b><u>Program Code</u></b>	<b><u>Description</u></b>
211	<u>Early Childhood Program Aid. (ECPA)</u> Restricted state aid distributed pursuant to N.J.S.A. 18A:7F-16, to all school districts with high concentrations of low-income students for the purpose of providing full-day kindergarten and preschool classes and other early childhood programs and services. Used with the special revenue fund.
212	<u>Special Education - Multiple Disabilities.</u>
212	<u>Demonstrably Effective Program Aid. (DEPA)</u> Restricted state aid generated by school based on the formula contained in NJSA 18A:7F-18. Districts are required to account for these program expenditures by school, unless the funds have been transferred to Whole School Reform. This program code is used with the special revenue fund.
213	<u>Special Education - Resource Room/Resource Center.</u>
213	<u>Distance Learning Network Aid. (DLNA)</u> Restricted state aid intended to supplement existing district technology plans and provided pursuant to NJSA 18A:7F-22. Used with the special revenue fund.
214	<u>Special Education - Autism.</u>
214	<u>Instructional Supplemental Aid. (ISA)</u> Used to record restricted state aid pursuant to NJSA 18A:7F-18c. This aid is intended to provide supplemental services to students from low-income families, similar to DEPA (code 212). Used with the special revenue fund.
215	<u>Special Education - Preschool Disabilities – Part-Time.</u>
216	<u>Special Education - Preschool Disabilities – Full-Time.</u>
219	<u>Special Education - Home Instruction.</u>
221	<u>Special Education - Extended School Year</u> - Only applicable for special services schools.
222	<u>Special Education- Cognitive – Severe.</u>
230	<u>Basic Skills/Remedial – Instruction.</u>
231-239	<u>NCLB Title I, Part A; Improving Basic Programs and SIA, and Part D, Neglected Delinquent or at Risk.</u>
240	<u>Bilingual Education – Instruction.</u>
241-245	<u>NCLB Title III-English Language Enhancement.</u>
250-259	<u>I.D.E.A. Part B.</u>
260-264	<u>NCLB Title V-Innovation Programs.</u>
265-269	<u>NCLB Title VI-Rural and Low Income School Programs.</u>

<b><u>Program Code</u></b>	<b><u>Description</u></b>
270-279	<u>NCLB Title IIA-Teacher and Principal Training &amp; Recruiting, Title IID-Enhancing Education Through Technology.</u>
280-289	<u>NCLB Title IV-Safe and Drug Free Schools.</u>
290-299	<u>Other Special Programs.</u>
<b>300</b>	<b><u>Vocational Programs.</u></b> Activities that provide students with the opportunity to develop the knowledge, skills, and attitudes needed for employment in an occupational area offered during regular school hours. Vocational program codes are used when the district receives funding from state and federal governments for vocational programs that require a local share to be provided by the district. If a district is not required to provide information regarding matching costs as part of a grant agreement, the costs of the local vocational program may be included under regular instruction. Some vocational program examples would be home economics, wood shop, and graphic arts. (Note: County vocational school districts – see Section 6.)
301-330	<u>Vocational Programs - Local</u> - Provides the matching portion of the district's local share for programs that are funded by grants.
331-360	<u>Vocational Programs – State.</u> Restricted. Used only with special revenue fund 20.
361-399	<u>Vocational Programs – Federal.</u> Restricted. Used only with special revenue fund 20.
<b>400</b>	<b><u>Other Instructional Programs - Elementary/Secondary.</u></b> Activities that provide students in preschool and grades K-12 with learning experiences not included in the program codes 100-300, 500, and 600.
401	<u>School - Sponsored Co-curricular and Extra-curricular Activities.</u> School-sponsored activities, under the guidance and supervision of the LEA staff, designed to provide students with experiences as motivation, enjoyment, and improvement of skills. Co-curricular activities normally supplement the regular instructional program and include such activities as band, chorus, choir, speech, debate, student government, athletics, clubs, and honor societies. Used only with general fund character class 11 or 12, and fund 30.
402	<u>School - Sponsored Athletics.</u> School-sponsored athletics, under the guidance and supervision of the LEA staff, usually provide interscholastic competition and frequently receive some financing through gate receipts or fees. However, if such activities are profit-making ventures that receive the bulk of their support from receipts rather than from local government, these activities should be reported under Enterprise Activities (program 900). Used only with character class 11 and 12 and fund 30.
403-421	<u>Other Instructional Programs.</u> Used only with character class 11 and 12 and fund 30.
422	<u>Summer School.</u> Used only with general fund character class 12 or 13, and funds 20 and 30.

<b><u>Program Code</u></b>	<b><u>Description</u></b>
423-430	<u>Other Special Schools.</u> Used only with character class 12 and 13 and funds 20 and 30.
431-449	<u>Other State Projects.</u> Used only with fund 20.
450-469	<u>Other Federal Projects.</u> Used only with fund 20.
<b>500</b>	<b><u>Nonpublic School Program.</u></b> Activities for students attending a school established by an agency other than the State, a subdivision of the State, or the federal government, which usually is supported primarily by private funds, not public funds. The services consist of such activities as those involved in providing instructional services, attendance and social work services, health services, and transportation services for nonpublic school students. The unique program codes identified below should be used with revenue source code 3230 as well as applicable expenditures within the special revenue fund (20).
501	<u>New Jersey Nonpublic Textbooks Aid.</u> Appropriation of state aid received for the cost of textbooks purchased and loaned to nonpublic school students.
502	<u>New Jersey Nonpublic Auxiliary Services - Basic Skills/Remedial.</u> Appropriation of state aid received for the cost of providing compensatory education to nonpublic school students.
503	<u>Nonpublic Auxiliary - English as a Second Language.</u> Appropriation of state aid received for the cost of providing English as a Second Language programs to nonpublic students.
504	<u>Nonpublic Auxiliary - Home Instruction.</u> Appropriation of state aid received for the costs of providing home instruction to nonpublic students.
505	<u>Nonpublic Auxiliary – Transportation.</u> Appropriation of state aid received for the cost of providing maintenance of vehicular classrooms or transportation to nonpublic students for the purposes of the required nonpublic program, which are usually held offsite.
506	<u>Nonpublic Handicapped - Supplemental Instruction.</u> Appropriation of state aid received for the cost of providing supplementary instruction to nonpublic students.
507	<u>New Jersey Nonpublic Handicapped Services.</u> Appropriation of state aid received for the cost of providing identification, examination and classification services to nonpublic students.
508	<u>Nonpublic Handicapped - Corrective Speech.</u> Appropriation of state aid received for the cost of providing speech correction services to nonpublic students.
509	<u>New Jersey Nonpublic Nursing Services.</u> Appropriation of state aid received for the cost of providing nursing services to nonpublic students.
510	<u>Nonpublic Technology Initiative Program.</u> Appropriation of state aid received for the cost of providing nonpublic school pupils with computers, educational software, networks, distance learning equipment and other technologies that can improve their education by meeting their specific educational needs and to give nonpublic school



**Program  
Code**

**Description**

teachers the skills, resources and incentives to use educational technologies effectively to improve teaching and learning in the classroom.

- 600**      **Adult/Continuing Education Programs.** Activities that develop knowledge and skills to meet immediate and long range educational objectives of adults who, have completed or interrupted formal schooling, have accepted adult roles and responsibilities. Programs include activities to foster the development of fundamental tools of learning, prepare students for a postsecondary career, prepare students for postsecondary education programs, upgrade occupational competence, prepare students for a new or different career, develop skills and appreciation for special interests, or to enrich the aesthetic qualities of life. This would include programs that are outside the normal daytime instruction of the student population, such as adult and evening classes.
- 601      Accredited Evening/Adult High School/Post-Graduate. Used for program costs that provide basic skills, preparatory GED courses, accredited courses towards a high school diploma, and supplemental courses for high school graduates intending to enter college. This program is used only with character classes 12 and 13 and fund 30.
- 602      Adult Education – Local. Used for the locally funded portion of adult basic education courses (ABE local match). The code may also be used for community enrichment program costs. This program is used only with character classes 12 and 13 and fund 30.
- 603-618      Adult Education – State. This program is used only with fund 20.
- 619-628      Adult Education – Federal. This program is used only with fund 20.
- 629      Vocational Evening – Local. Local funds used for those programs that are offered in the evening as adult/continuing education, regardless of the age of the enrollee, and would include GED classes.
- 630      Vocational Evening – State.
- 631      Evening School for the Foreign Born – Local.
- 632      Evening School for the Foreign Born – State.
- 700**      **Debt Service.** Programs to service the debt of the LEA, including payments of both principal and interest. This program category is to be used with the debt service fund.
- 701      Debt Service – Regular. Includes amounts from local sources and State Debt Service Aid.
- 702      Additional State School Building Aid - Chapter 177. State aid for financing the cost of school facilities. Used with revenue source code 3250.
- 703      Additional State School Building Aid - Chapter 10. State aid for financing the cost of school facilities. Used with revenue source code 3250.

<b><u>Program Code</u></b>	<b><u>Description</u></b>
704	<u>Additional State School Building Aid - Chapter 74.</u> State aid for financing the cost of school facilities. Used with revenue source code 3250.
<b>800</b>	<p><b><u>Community Services Programs.</u></b> Activities which are not directly related to the provision of educational services in an LEA. These include services such as community recreation programs, civic activities, public libraries, programs of custody and care of children (board funded latchkey programs), and community welfare activities provided by the LEA. Also included are Community Learning Centers. Community Learning Centers offer academic, artistic and cultural enrichment opportunities to students and families when school is not in session in elementary and secondary schools or other accessible facilities.</p> <p>If the program charges fees to the parents for the provision of services, the activity should be accounted for in an enterprise fund. The only cost reflected in the budget in such circumstances would be the board's contribution to the program, which would be recorded as a transfer to cover deficit. Community service programs are used only with general fund character class 11.</p>
<b>900</b>	<b><u>Enterprise Programs.</u></b> Programs which are intended to be self-supporting. This program category would normally be used with the proprietary funds.
910	<u>Food Services.</u> Food service operations are activities that provide food to students and staff in a school. These services include preparing and serving regular and incidental meals or snacks in connection with school activities as well as delivery of food to schools. <i>[Accrual basis of accounting]</i>
990	<u>Other Enterprise Funds.</u> <i>[Accrual basis of accounting]</i>
<b>000</b>	<p><b><u>Undistributed Expenditures.</u></b> All charges that are not readily assignable directly to an actual program are classified here. For program-costing purposes, the charges to functions in the 100, 200 and 300 series and this program may be attributed indirectly to instructional, community service and enterprise programs. Charges to functions 400 and 500 and this program normally are not allocated to other programs.</p>
001-099	<u>Other Local Projects.</u> Program code used to track expenditures of restricted locally funded projects. Used only with special revenue fund 20.

**Function**  
**Code**

**Description**

**FUNCTION**

The function describes the activity for which a service or material object is acquired. The functions of an LEA are classified into five broad areas: instruction, support services, operation of non-instructional services, facilities acquisition and construction, and other outlays. Functions are further broken down into subfunctions and service areas.

Each of these levels consists of activities that have somewhat the same general operational objectives. Furthermore, categories of activities comprising each of these divisions and subdivisions are grouped according to the principle that the activities are related and can be combined and compared. For example:

Function - support services	200
Subfunction - support services - students	210
Service area -attendance and social work services	211

The function structure in these guidelines is not intended to dictate an organizational structure. Rather, an effort has been made to group together functions in relation to the magnitude of expenditures typically found in the LEA. This grouping corresponds to the categories most frequently requested in reporting to external authorities. The asterisk next to the function code denotes a required federal reporting field in the federal (NCES) chart of accounts.

**Function**  
**Code**

**Description**

**100\***      **Instruction.** Instruction includes the activities involving the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location such as a home or hospital, and in other learning situations such as those involving co-curricular activities. It may also be provided through some other approved medium such as television, radio, computer, Internet, multimedia telephone, and correspondence, that is delivered inside or outside the classroom, or in other teacher-student settings.

Included here are the activities of aides or classroom assistants of any type (clerks, graders, teaching machines, etc.) who assist in the instructional process; salaries paid to substitute teachers; additional compensation paid to teachers for services such as hall monitors, detention and lunchroom aids and chaperoning educational activities. purchased services that are related to instruction such as assembly speakers or standardized specific subject exams; other purchased services including rental or lease of equipment for instruction as well as reimbursements to teachers for school-to-school travel; communication costs directly related to instruction, such as dedicated lines to teaching labs or classrooms; teaching supplies other than textbooks; and dues and fees for teachers membership in professional organizations.

**Function  
Code**

**Description**

Instructional costs should be coded to the applicable program. If teachers cross program categories their salaries should be prorated based on the time spent in each program. Expenditures should also be prorated for department chairpersons who teach. If prorating is not possible for department chairpersons who teach, then the full cost of their salary should be recorded under instruction. Department chairpersons who do not teach are coded under function 240 –Support Services –School Administration.

Used only with programs 100-600 with the exception of unallocated equipment purchases which uses program code 000.

**200**

**Support Services.** Support services provide administrative, technical (such as guidance and health), and logistical support to facilitate and enhance instruction. These services exist as adjuncts for fulfilling the objectives of instruction, community services, and enterprise programs, rather than as entities within themselves.

210 Support Services - Students. Activities designed to assess and improve the well-being of students and to supplement the teaching process.

211 Attendance and Social Work Services. Activities designed to improve student attendance at school and that serve to prevent or solve student problems involving the home, the school, and the community.

These services include the supervision of attendance and social work services. This encompasses the identification of nonattendance patterns, promotion of improved attitudes toward attendance, enforcement of attendance laws including the investigation and diagnosis of student problems arising from the home, school, or community, casework and group-work services for the child or parent, and communications with other staff about student problems.

Student accounting services - the collection, maintenance, and reporting of school attendance records, family characteristics data, census data, and other pertinent information are included here.

Registration activities for adult education programs are also included here.

213 Health Services. Health Services includes physical and mental health services which are not directly instructional. This function includes supervision of health services, health appraisal (including screening for vision, communicable diseases, and hearing deficiencies), screening for psychiatric services, periodic health examinations, emergency injury and illness care, dental services, nursing services, and communications with parents and medical officials.

216 Other Support Services – Students – Related Services. Costs of related services as a result of individualized education programs (I.E.P.s). This function includes speech, occupational and physical therapy and additional counseling. These services are considered Tier I services in the calculation of special education aid.

**Function  
Code**

**Description**

- 217 Other Support Services – Students – Extraordinary Services. Costs of services other than related services provided to students as a result of an I.E.P. that are unique to individual students, such as one-to one aides.
- 218 Other Support Services - Students - Regular. Guidance services and any other activities, supplemental to the teaching process, which are designed to assess and improve the well-being of students other than functions 211, 213, 216, 217, or 219.
- Guidance services include counseling with students and parents, consulting with other staff members on learning problems, evaluating the abilities of students, assisting students in their education and career plans, assisting students in personal and social development, providing referral assistance, and working with other staff members in planning and conducting guidance programs for students.
- Guidance services also include record maintenance services - the compiling, maintaining, and interpreting of records of individuals for such factors as physical and medical status, standardized test results, personal and social development, school performance, and home background - and they include placement services – the placing of students for educational and occupational situations.
- 219 Other Support Services - Students – Special Education. Services provided by child study team members, including psychologists, social workers, learning consultants, and other services relating to the classification of students and the development of I.E.P.s. Child study team members may provide both support services in the development of the I.E.P. and may provide the actual services for the implementation of the I.E.P. This may include services to non-classified pupils and regular instruction staff to prevent or remediate learning problems. If such services are routine, child study team salaries must be prorated between Other Support Services - Students Special and Students Regular based on time spent. If such services are infrequent, there is no need to prorate.
- Services provided as a result of I.E.P.s that benefit individual students in a program classification are considered extraordinary and are included in function 217, Other Support Services- Students – Extraordinary Services.
- 220\* Support Services - Instructional Staff. Activities associated with assisting the instructional staff with the content and process of providing learning experiences for students.
- 221 Improvement of Instruction Services. Activities primarily related to assisting instructional staff in planning, developing, and evaluating the process of providing learning experiences for students. These activities include supervision of instruction services, curriculum development, techniques of instruction, and child development and understanding. Used with all programs 100-900. Department chairperson activities are not assigned here; they are assigned to function 240.
- 222 Educational Media/Library Services. Activities concerned with directing, managing, and supervising educational media services. Educational media services include school library services, audiovisual services, educational television services, and computer

**Function  
Code**

**Description**

assisted instruction services. It would also include communications costs directly related to educational media services/school library, such as on-line reference services as well as activities such as selecting acquiring, preparing, cataloging, and circulating books and other printed or displayed materials. Educational media is inclusive of all devices, content materials, methods, or experiences used in supporting the teaching and learning process.

School library services involve selecting, acquiring, preparing, cataloging, and circulating books and other printed materials; planning the use of the library by students, teachers and other members of the instructional staff; and guiding individuals in their use of library books and materials, whether maintained separately or as a part of an instructional materials center. It also includes the cost of binding or other repairs to school library books. Textbooks should not to be charged to this function but rather to function 100.

Audiovisual services involve selecting, preparing, caring for, and making available to members of the instructional staff equipment, films, filmstrips, transparencies, tapes, TV programs, and similar materials.

Educational television services concern the planning, programming, writing, and presenting of educational programs or segments of programs by closed circuit or broadcast television.

Computer-assisted instruction services include the development of educational projects that use a computer as the principal medium of instruction. However, the actual provision of computer-assisted instruction is recorded under the instruction function 100.

223 Instructional Staff Training Services. Activities that contribute to the professional occupational growth and competence of members of the instructional staff. Professional development costs include reimbursement to teaching staff for attendance at out-of-district workshops, and the costs for in-house sponsored programs for teaching staff. The in-house program costs for non-instructional staff members are included under function 251. The reimbursed costs for other instructional staff members are recorded under the applicable function.

Reimbursed costs include registration, travel, overnight accommodations and meals. The direct cost for in-house programs include the reasonable allocation of staff time for program development, materials and supplies, and any outside consultant fees and their related expenses. Allocated costs may not include any costs relating to the supervision or evaluation of staff of curriculum work and any tuition reimbursements. Tuition reimbursement is considered an employee benefit and is coded to the employee benefit function. If not allocating benefits, use function 291.

230\* Support Services - General Administration. Activities concerned with the establishing and administering policy for operating the LEA. These include board of education services and executive administration services.

**Function  
Code**

**Description**

Board of Education Services involve activities of the elected or appointed body that have been created according to state law and vested with responsibilities for educational activities in a given administrative unit. These include board secretary treasurer activities, school election services (including bond elections and election of officers), staff relations and negotiations services, and supervision of the board of education. School district meetings and expenses for legal advice are also included, as are the activities of external auditors. Note that if the board secretary acts as the chief business official, then the entire salary would be charged to function 251.

Executive Administration Services involve activities associated with the overall general administration of or executive responsibility for the entire LEA. These include activities in the office of the superintendent, community relation services, and state and federal relations services.

Only general administrative costs are recorded under this function. The salaries and related costs of assistant superintendents or other administrators for specific support services should not be recorded here but rather should be recorded under the appropriate support services function.

Included in this function would be all district-wide costs for telephone and communication services, postage, legal ads, board related insurance (liability and fidelity), write-off of uncollectible accounts receivable, and court awarded judgments against the school district that are not covered by liability insurance but could have been. Not included in this function would be communication costs related to direct dedicated lines to technology labs or classrooms and judgments against the district resulting from failure to pay bills.

- 240\* Support Services - School Administration. Activities concerned with the overall administrative responsibility for a school. It includes the activities performed by the principal, assistant principals, and other assistants while they supervise operations of the school, evaluate school staff members, supervise and maintain the records of the school, and coordinate school instructional activities with those of the LEA. Also included here would be the activities of department directors such as guidance, athletic, and special education.

These activities include the work of clerical staff in support of teaching and administrative duties. Graduation expenses, full-time department chairpersons' expenditures, and the prorated expenditures of part-time department chairpersons are also included in this function. If prorating of expenditures is not possible for department chairpersons who also teach, those expenditures are included in instruction.

- 251\* Central Services. Activities that support other administrative and instructional functions including fiscal services, human resources, strategic planning, purchasing, warehousing and distribution services, and printing services including public information services. The chief business official expenditures are included here.

Fiscal service is activities concerned with the fiscal operations of the school district. This function includes budgeting, receiving and disbursing, financial and property accounting, payroll, inventory control, internal auditing, and funds management. Fiscal



**Function  
Code**

**Description**

service includes the payment of interest on current loans defined as loans repayable within one year of receiving the obligation.

Human resources are activities concerned with maintaining efficient personnel for the school system. It includes such activities as recruitment and placement and maintaining personnel information.

Planning includes activities concerned with selecting or identifying the overall, long-range goals and priorities of the district. Also included are activities associated with conducting and managing programs of research, development, and evaluation for a school system.

252 Administrative Information Technology. Activities concerned with supporting the school district's information technology systems, including supporting administrative networks, maintaining administrative information systems, and processing data for administrative and managerial purposes. Specifically included are costs associated with the administration and supervision of technology personnel, systems planning and analysis, systems application development, systems operations, network support services, hardware maintenance and support services and other technology-related administrative costs.

260\* Operation and Maintenance of Plant Services. Activities concerned with keeping the physical plant open, comfortable, and safe for use, and keeping the grounds, buildings, and equipment in effective working condition. These include the activities of maintaining safety in buildings, on the grounds, and in the vicinity of schools. Included in this function are supervision of operation and maintenance services; repair, replacement, and cleaning of building facilities and equipment such as heating, lighting, and ventilating systems; care and upkeep of grounds including landscaping, snow removal, and grounds maintenance; care and upkeep of equipment such as furniture, machines, and movable equipment; provision of security services including police activities for school functions, traffic control on grounds, building alarm systems, employees, not teachers, hired as hall monitors, playground and lunchroom aides; and operation and maintenance of vehicles (other than for pupil transportation vehicles) such as trucks, tractors, graders, and staff vehicles. Also included in this function code and its subset are the costs of building rental, safety, security, and property insurance. Note that the header account (260) is posted directly when used with the capital outlay subfund 12.

261 Required Maintenance for School Facilities. This function code is used to account for the reporting of required maintenance under N.J.A.C. 6:24, The Educational Facilities Construction and Financing Act (EFCFA). Expenditures meeting the definition of required maintenance for school facilities are recorded under this function code. Required maintenance is defined as expenditures for systems warranty purposes that are approved for repairs and replacements for the purpose of keeping a school facility open, comfortable and safe for use or in its original condition, including repairs and replacements to a school facility's heating, lighting, ventilation, security and other fixtures to keep the facility or fixtures in effective working condition. Required maintenance includes periodic or occasional inspection; adjustment, lubrication, and



**Function  
Code**

**Description**

cleaning (non-janitorial) of buildings and fixtures; replacement of parts; and other actions to assure continuing service and to prevent breakdown.

Required maintenance does not include contracted custodial or janitorial services, expenditures for the cleaning of a school facility or its fixtures, the care and upkeep of grounds or parking lots, and the cleaning of, or repairs and replacement to, movable furnishings or equipment, or other expenditures which are not required to maintain the original condition over the facilities' useful life.

- 262 Other Operating Maintenance of Plant Services. Other than allowable maintenance includes the daily upkeep of the grounds and facilities that would not otherwise be required to maintain its original condition over its useful life. This would include custodial and janitorial services, cleaning of a school facility, care and upkeep of grounds and parking lots, and the cleaning or repair of moveable furnishings and equipment. Cleaning services include garbage disposal, snow plowing and custodial services as well as lawn care.

Also included in this function are the costs of building rental, property insurance, utilities, employees (other than teachers) hired as hall monitors, playground and lunchroom aides, and operation and maintenance of vehicles (other than for pupil transportation vehicles) such as trucks, tractors, graders, and staff vehicles.

- 270\* Student Transportation Services. Activities concerned with conveying students between home and school and from school to other school activities as provided by state and federal law. This function includes supervision of student transportation services, vehicle operation services, monitoring services, and vehicle servicing and maintenance services.

Vehicle operations services involve operating buses or other vehicles for student transportation from the time the vehicles leave the point of storage until they return to the point of storage.

Monitoring services entail supervising students as they are transported between home and school and between school and school activities. Such supervision can occur while students are in transit and while they are being loaded and unloaded.

Vehicle servicing and maintenance services include repairing vehicle parts, replacing vehicle parts, cleaning, painting, and fueling vehicles, and inspecting vehicles for safety.

- 290\* Other Support Services. All other support services not classified elsewhere.

- 291 Personnel Services – Unallocated Employee Benefits. The district has the option of reporting employee benefits under this function or allocating employee benefits under the applicable programs/functions of the current expense, capital outlay and special schools sub-funds. Employee benefits are detailed between group insurance, social security contributions, T.P.A.F. contributions-ERIP, other retirement contributions-regular, other retirement contributions-ERIP, unemployment compensation, workmen's compensation, health benefits, tuition reimbursement, and other employee benefits.

**Function  
Code**

**Description**

Other employee benefits include unused sick leave, uniforms purchased for employees in accordance with union contracts, and assessment billings.

- 300**      **Operation of Non-Instructional Services.** Activities concerned with providing non-instructional services to students, staff, or the community.
- 310\*      **Food Service Operations.** Activities concerned with providing food to students and staff in a school or LEA. This service area includes preparing and serving regular and incidental meals, lunches, or snacks in connection with school activities.
- The food service operations activity could be recorded in an enterprise fund or the general fund, depending on its revenue sources. If the LEA receives state or federal reimbursement for or collects fees from students for the cost of meals, the entire food service operations activity would be recorded in the enterprise fund. Any contribution by the board towards the food services operation, including salaries, would be recorded in the general fund as an operating transfer to cover deficit.
- 320\*      **Enterprise Operations.** Activities that are financed and operated in a manner similar to private business enterprises - where the stated intent is that the costs are financed or recovered primarily through user charges. One example could be the LEA bookstore.
- Used only with program 990.
- 330\*      **Community Services Operations.** Activities concerned with providing community services to students, staff, or other community participants. Examples of this function would be the operation of a community swimming pool, a community learning center, a recreation program for the elderly, a child care center for working mothers, etc. Also includes maintenance and management of public playgrounds and recreation places controlled by the board of education.
- Used only with program 800.
- 400\***      **Facilities Acquisition and Construction Services.** Activities concerned with acquiring land and buildings, remodeling buildings, constructing buildings and additions to buildings, initially installing or extending service systems and other built-in equipment, and improving sites. The last two digits are used to designate the referendum number approving the expenditure.
- The Capital Outlay Subfund (12) would include the cost of rewiring facilities for the installation of a LAN and/or WAN and the principal portion of lease purchase agreements for land and buildings. The interest payment under the terms of the lease purchase agreement would be recorded in the general current fund under function 251.
- 500**      **Other Uses.** A number of outlays of governmental funds are not properly classified as expenditures or do not meet the classification criteria of the preceding functions, but still require budgetary or accounting control. These are classified under "Other Outlays." These accounts are not used with proprietary funds.

**Function  
Code**

**Description**

510*	<u>Debt Service.</u> Used for payments servicing the debt of the LEA, including payments of both principal and interest. Interest on current loans (repayable within one year of receiving the obligation) is charged to function 251.
515	<u>Retirement of Early Retirement Incentive Program (ERIP) Liability.</u> Function code used to record the retirement of the existing ERIP liability. This code is limited in use to the general and debt service funds.
520	<u>Fund Transfers.</u> Transactions that withdraw money from one fund and place it in another without recourse. Fund transfers budgeted to another function activity, such as food services, are coded to the appropriate function and the object code 930. This includes the <u>Contribution to Whole School Reform.</u>
530	<u>Payment to Refunded Bond Escrow Agent.</u> Payment of the proceeds of advance refunding bonds to a bond escrow agent.
540	<u>Scholarships.</u> Payment of scholarships from a trust fund.

**OBJECT**

This dimension is used to describe the service or commodity obtained as the result of a specific expenditure. There are nine major object categories, each of which is further divided. The following are definitions of the object classes and selected sub object categories:

<b><u>Object Code</u></b>	<b><u>Description</u></b>
<b>100*</b>	<p><b><u>Personnel Services - Salaries.</u></b> Amounts paid to both permanent and temporary LEA employees including personnel substituting for those in permanent positions and part-time employees. For individuals assigned to more than one activity, their salaries should be prorated according to the amount of time spent in each activity.</p> <p>Used with all functions except 500.</p>
101	<p><b><u>Salaries of Teachers.</u></b> The salaries for all teaching services rendered to pupils including the services of part-time teachers. Salaries of teachers on sabbatical leave are recorded here. The salaries of department chairpersons who also teach are recorded here. If department chairpersons devote time to both supervision of instruction and teaching then their salaries are prorated between function/object 100-101 (salaries of teachers) and 240-104 (salaries of other professional staff). Record the salary of a head teacher acting as a principal entirely under object 103.</p> <p>Used only with function 100.</p>
102	<p><b><u>Salaries of Supervisors of Instruction.</u></b> The salaries for services rendered as general or subject supervisors of instruction. Supervisors of instruction assist teachers in improving instructional methods and the learning process.</p> <p>Used only with functions 221 and 223 and special revenue fund function code 200.</p>
103	<p><b><u>Salaries of Principals/Assistant Principals/Program Directors.</u></b> The salaries of principals, assistant principals, and other personnel performing the function of a principal. The salaries of a head teacher acting as principal should be recorded here. When teachers or other instructional staff are assigned administrative duties usually performed by the assistant principal and given extra pay for these duties, the salaries for these extra services are also recorded here.</p> <p>For special schools and special revenue fund projects, this object includes salaries of program directors.</p> <p>Used only with function 240 and special revenue fund code 200.</p>
104	<p><b><u>Salaries of Other Professional Staff.</u></b> The salaries for services rendered by professional staff not recorded in the above objects.</p> <p>Detail breakout required with function codes 218, 219, 221, 223, and 240.</p>

<b><u>Object Code</u></b>	<b><u>Description</u></b>
105	<p><u>Salaries of Secretarial and Clerical Assistants.</u></p> <p>Detail breakout required with function codes 218, 219, 221, 223, 240 or 250. Otherwise, may be included in object 100.</p>
106	<p><u>Other Salaries for Instruction.</u> The salaries for any assistants or aides to instructional staff other than secretarial and clerical personnel. This includes the salary of certified staff members providing related services pursuant to an I.E.P.</p> <p>Used only with function 100.</p>
110	<p><u>Other Salaries.</u> Salaries not recorded in other objects.</p> <p>Used with all functions except 100, 270, and 500.</p>
160	<p><u>Salaries for Pupil Transportation (Between Home and School)-Regular.</u> (Previously code 107 in the 1992 Uniform Minimum Chart of Accounts (COA). Includes salaries for administrative personnel, drivers of pupil transportation vehicles between home and school, bus attendants, and mechanics and other garage employees. The entry is based on the district's hourly rate paid to the employee times the number of hours worked per day. Only salaries of individuals on the payroll of the district are recorded here.</p> <p>Salaries for administrative personnel include supervisors, secretaries, and clerks who are assigned student transportation responsibilities and duties. Salaries for pupil transportation administrative personnel who are employed part-time or who are assigned to activities outside of pupil transportation should be recorded elsewhere.</p> <p>Salaries for administrative personnel and for drivers of pupil transportation vehicles between home and school are recorded here only for individuals meeting state guidelines. Salaries for school bus attendants include salaries of employees who provide physical care for handicapped students transported between home and school.</p> <p>Salaries for mechanics and other garage employees include salaries for individuals assigned to school bus maintenance activities and only include those meeting state guidelines.</p> <p>This function does not include salaries related to routes separately established to transport special education pupils. This would be reported under object 161.</p> <p>Used only with function 270.</p>
161	<p><u>Salaries for Pupil Transportation (Between Home and School) - Special Education.</u> Expenditures meeting the definition of object 160 for routes separately established to transport special education pupils. (Previously code 108 in the 1992 COA).</p> <p>Used only with function 270.</p>
162	<p><u>Salaries for Pupil Transportation (Other than Between Home and School).</u> The amount paid to LEA employees for transporting students for school activities other than between</p>

**Object  
Code****Description**

home and school. The entry is based on the district's hourly rate for extra-curricular employees, times the number of hours worked per day. (Previously code 109 in the 1992 COA).

Used only with function 270.

**163** Salaries for Pupil Transportation (Between Home and School) – Non-Public Schools. The amount paid to LEA employees for transporting non-public school students between home and school. (Previously included under code 107 in the 1992 COA).

Used only with function 270.

**200\*** Personnel Services - Employee Benefits. Amounts paid by the LEA on behalf of employees; these amounts are not included in the gross salary, but are in addition to that amount. Such payments are fringe benefits and, while not paid directly to employees, are part of the cost of personnel services. Included in this category are group insurance, social security contributions, retirement contributions, tuition reimbursement, unemployment compensation, workmen's compensation, and unused sick leave.

Used with function **291** for unallocated benefits or with functions 100, 200 and 400 series for allocated benefits.

**210** Group Insurance. Employer's share of the cost of employee insurance benefits other than health benefits insurance.

**220** Social Security Contributions. Employer's share of social security for members and non-members of the T.P.A.F. Pension Plan paid by the board. Employees' social security deductions are not recorded but are included under the appropriate salary objects.

**230** T.P.A.F. Contributions. The board's share of expenditures to the T.P.A.F. Pension Plan. Employees' salary deductions for pension fund contributions are not recorded here but are included under the appropriate salary code.

**231** T.P.A.F. Contributions - Regular.

**232** T.P.A.F. Contributions - ERIP (Early Retirement Incentive Program). This account includes additional contributions to the State Health Benefits Program related to personnel participating in the early retirement incentive program.

**240** Other Retirement Contributions. The board's share of expenditures to funds other than T.P.A.F. which have been established by the state or county and have been built up through contributions from participants and other sources for the purpose of making payments to those who retire from service in the educational system by reason of age, disability, or length of service. Employees' salary deductions for retirement funds are not recorded here but are included under the appropriate salary code.

**241** Other Retirement Contributions – Regular.

<b><u>Object Code</u></b>	<b><u>Description</u></b>
242	<u>Other Retirement Contributions - ERIP.</u> Amounts paid by the school district for early retirement incentive program contributions to other than T.P.A.F. This account includes additional contributions to the State Health Benefits Program related to personnel participating in the early retirement incentive program.
250	<u>Unemployment Compensation.</u> Amounts paid by the school district to provide unemployment compensation for its employees.
260	<u>Workers' Compensation.</u> Amounts paid by the school district to provide workers' compensation insurance for its employees.
270	<u>Health Benefits.</u> Amounts paid by the school district to provide health benefits for its current employees or employees now retired for whom benefits are paid.
280	<u>Tuition Reimbursement.</u> Amounts reimbursed by the school district to any employee qualifying for tuition reimbursement on the basis of school district policy.
290	<u>Other Employee Benefits.</u> Includes unused sick leave and uniforms purchased for employees in accordance with union contracts, and assessment billings.
<b>300*</b>	<b><u>Purchased Professional and Technical Services.</u></b> Services purchased from individuals or firms possessing specialized skills, knowledge, or professional licenses. While a product may or may not result from the transaction, the primary reason for the purchase is the service provided. Included are the services of architects, engineers, auditors, dentists, medical doctors, lawyers, consultants, teachers, accountants, etc.
320	<u>Purchased Professional - Educational Services.</u> Purchased professional services supporting the instructional program and its administration. Included would be purchased educational services for Pre-K., Instructional classroom technologies, instructional support technologies, curriculum improvement services, counseling and guidance services, related and extraordinary services such as speech; occupational and physical therapy, child study teams, and contracted instructional services.
321	<u>Purchased Educational Services- Contracted Pre-K.</u> Expenditures for regular education preschool programs that are contracted out (mainly by Abbott school districts). Used only in fund 20 under the early childhood program beginning with 2002-03 budgets. (COA Update 11/04)
329	<u>Other Purchased Professional – Education Services.</u> Purchased professional education services not included in object codes 321 -325 above.
330	<u>Other Purchased Professional Services.</u> Expenditures for purchased professional services other than professional educational services. Included are management consultant services, school management support activities, election services medical services, legal services, architectural services, accounting services, auditing services, negotiating services, and other such services.

Used with function codes 251, 252 and 290.

**Object  
Code****Description**

331	<u>Legal Services.</u> Legal fees directly related to an approved capital project are recorded under function 4XX. Legal fees related to the activities of the Board of Education are recorded under function <u>230</u> .
332	<u>Audit Fees.</u> Audit fees directly related to year-end audit or other services provided by public school accountant.  Used with function 230.
339	<u>Other Professional Services.</u> Object code used to record other purchased professional services other than those identified above.  Used only with function 230.
340	<u>Purchased Technical Services.</u> Includes purchased services received by the LEA which are not regarded as professional but require basic scientific knowledge, manual skills, or both. Included are data processing services, purchasing and warehousing services, graphic arts, and the like.  Used with function 100, 230, <u>251</u> , and 290.
350	<u>Management Fees – ESC &amp; CTSA Transportation Programs.</u> Management fees are those administrative fees charged by an ESC or a CTSA for the cost of processing transportation requests from local boards of education and planning those services.  An Educational Services Commission (ESC) is an agency established for the purpose of carrying on programs of educational research and development and providing to public school districts such educational and administrative services as may be authorized pursuant to rules of the State Board of Education. These services may include transportation to and from school or school related activities.  A Coordinated Transportation Services Agency (CTSA) is any school district, ESC, or other agency authorized by the Commissioner which organizes, schedules and provides transportation services for other local Boards of Education in a manner which achieves maximum efficiency for the participating districts. These services and the method of payment are described in an agreement between the CTSA and the Board of Education.  Used only with function 270.
390	<u>Other Purchased Professional and Technical Services.</u> Used for purchases of professional and technical services not specifically included in one of the above categories.  Function codes 218, 219, 221, <u>223, 270</u> , and 4XX require the detail breakout of specific purchased professional services (see Appendix A). This object is used to record expenditures for other types of purchased professional services and technical services under those functions.
400*	<u>Purchased Property Services.</u> Services purchased to operate, repair, maintain, and rent property owned or used by the LEA. These services are performed by persons other than



**Object  
Code****Description**

LEA employees. While a product may or may not result from the transaction, the primary reason for the purchase is the service provided. Included are utility services for water and sewage, cleaning services, repair and maintenance services, and rentals of land, buildings, equipment and vehicles.

- 420 Cleaning, Repair and Maintenance Services. Services by non-district personnel for cleaning buildings and for repairs and maintenance. Cleaning services include garbage disposal services, snow plowing services, custodial services, and lawn care. Repairs and maintenance services include contracts and agreements covering the upkeep of buildings and equipment, but do not include costs for renovating and remodeling. Renovating and remodeling expenses are classified under object 450.

Used only with functions 260, 261, 262 and 270.

- 440 Rentals. The rental or lease of equipment and vehicles other than school buses is included under the appropriate program code, function code (usually 100 or 200 series), and Costs of renting or leasing land, building, equipment, and vehicles. Lease purchase of equipment is recorded here. Lease purchase of school buses is not recorded under object 443.

The principal and interest of lease purchase agreements for the acquisition of land and buildings should be recorded under objects 721 and 832, respectively. The rental of land and buildings is reported under function 260 or 262, object 441. The rental or lease of equipment and vehicles is included under the appropriate function (usually 100 or 200 series) and program code in object 490, 500, or 590, depending upon the level of detail required.

- 441 Rental of Land and Buildings. Expenditures for rental of land and buildings for both temporary and long-range use by the LEA. Expenditures from lease purchase agreements should not be recorded here, but rather under objects 721 and 832.

Used only with function 262.

- 442 Rental Payments – School Buses.

- 443 Lease Purchase Payments – School Buses.

- 450\* Construction Services. Includes amounts for constructing, renovating, and remodeling buildings or infrastructure assets paid to contractors. This account should also be used to account for the costs of non-permanent site improvements such as fencing, walkways, and roads that are related to buildings and building sites. Include amounts for rewiring of buildings for the installation of LANs and WANs.

Used only with function 4XX.

**Object  
Code****Description**

- 490 Other Purchased Property Services. Includes equipment and vehicle rentals or lease purchases for operation and maintenance. Utility services such as water and sewer are included here. Heat and electricity are not included here but in object 620. Telephone services are not included here but rather in object 530.

Used only with functions 260 and 262.

**500\***

**Other Purchased Services.** Amounts paid for services rendered by organizations or personnel not on the payroll of the district (separate from Purchased Professional and Technical Services or Property Services). While a product may or may not result from the transaction, the primary reason for the purchase is the service provided. Included are student transportation services, insurance (other than employee benefits), communications, advertising, printing and binding, tuition, food service management, travel, etc.

**Transportation:**

- 503 Contracted Services – Aid In Lieu of Payment for Non-public School Students. Payments made to parents of eligible Non-public school students in lieu of transportation services. Payments are based upon proper registration and certification of attendance by the Non-public school.

Used only with function 270.

- 504 Contracted Services – Aid In Lieu of Payment for Charter School Students. Payments made to parents of eligible charter school students in lieu of transportation services. Payments are based upon proper registration and certification of attendance by the charter school.

Used only with function 270.

- 511 Contracted Services – Transportation (Between Home and School) –Vendors. Expenditures made to owners (other than for joint agreements with other LEAs) who operate school buses and small vehicles to transport pupils; and to parents for transporting their own children to and from school. Also recorded here are expenditures for transportation on public carrier vehicles being used by the general public, regardless of whether a contract has been made with the carrier and regardless of whether payments have been made to the pupils or the carriers. Expenditures for the rental of buses that are operated by personnel on the LEA payroll are not recorded here; they are recorded under object 400, Purchased Property Services, which is included for reporting purposes under Miscellaneous Purchased Services - Transportation. Expenditures for routes established for transporting only special education pupils are not recorded here; they are recorded under object 514.

Used only with function 270.

**Object  
Code****Description**

- 512 Contracted Services (Other Than Between Home and School) - Vendors. The expenditures to vendors, for transporting students for school activities other than between home and school.

Used only with function 270.

- 513 Contracted Services (Between Home and School) - Joint Agreements. Expenditures meeting the definition of object 511 with the exception that they are a result of a joint agreement with another LEA rather than from contracting directly with a vendor. Expenditures for routes established for transporting only special education pupils are not recorded here; they are recorded under object 515.

Used only with function 270.

- 514 Contracted Services (Special Education Students) - Vendors. Expenditures to vendors for routes separately established to transport special education pupils.

Used only with function 270.

- 515 Contracted Services (Special Education Students) - Joint Agreements. Expenditures meeting the definition of object 514 with the exception that they are a result of a joint agreement with another LEA rather than from contracting directly with a vendor.

Used only with function 270.

- 516 Contracted Services (Other Than Between Home and School) - Grant Agreements. Expenditures incurred for transporting students for school activities other than between home and school as part of a grant agreement.

Used only in fund 20.

- 517 Contracted Services (Regular Students) – ECSs & CTSA. Expenditures meeting the definition of object 511 with the exception that they are a result of an agreement with a CTSA or ESC rather than from contracting directly with a vendor. Expenditures for routes established specifically for transporting special education pupils are not recorded here but rather under object 517.

Used only with function 270.

- 518 Contracted Services (Special Education Students) – ECSs & CTSA. Expenditures to ECSs or CTSA for routes separately established to transport special education pupils.

Used only with function 270.

**Other**

- 520 Insurance. Expenditures for most types of insurance, including property, liability and fidelity. Exceptions include the following:  
Employee benefit types of insurance - see the object code 200 series.

**Object  
Code****Description**

Board related insurance is recorded under function 230, object 590.  
Transportation related insurance is reported under function 270, object 593.

Detail breakout required with function 262.

- 530     Communications/Telephone. This category includes telephone and voice communication services; data communication services to establish or maintain computer-based communications, networking, and internet services; video communications services to establish or maintain one-way or two-way video communications via satellite, cable, or other devices; postal communications services to establish or maintain postage machine rentals, postage, express delivery services, or couriers.  
Usually used with functions 223, 230, or 240.
- 560     **Tuition.** Expenditures to reimburse other educational agencies for instructional services to students residing within the school district.
- 561\*     Tuition to Other LEAs within the State - Regular. Tuition expenditures for education services for pupils residing in the school district sent to an educational facility outside of their district but within New Jersey. Tuition adjustments based upon the Department of Education certification of rates are recognized in the year of receipt as an adjustment to the appropriate tuition expenditure account. The receiving district would record the adjustment in the appropriate tuition revenue account.  
  
Used only with program 000 and function 100.
- 562\*     Tuition to Other LEAs within the State – Special Education. Tuition expenditures for special education services for pupils residing in the school district sent to an educational facility outside of their district but within New Jersey.  
  
Used only with program 000 and function 100.
- 563     Tuition to County Vocational School Districts – Regular.  
  
Used only with program 000 and function 100.
- 564     Tuition to County Vocational School Districts – Special.  
  
Used only with program 000 and function 100.
- 565     Tuition to County Special Services Districts and Regional Day Schools. Tuition paid to agencies within New Jersey, such as regional educational service centers, for educational services to students.  
  
Used only with program 000 and function 100.
- 566\*     Tuition to Private Schools for the Disabled within the State. Tuition paid to private schools for the disabled located within the state of New Jersey.  
  
Used only with program 000 and function 100.

**Object  
Code****Description**

- 567\* Tuition to Private Schools for the Disabled and Other LEAs – Special Education- Outside the State. Tuition paid to private schools for the disabled located outside the state of New Jersey.
- Used only with program 000 and function 100.
- 568 Tuition – State Facilities.
- Used only with program 000 and function 100.
- 569\* Tuition – Other. Tuition paid to other governmental organizations as reimbursement for providing specialized instructions services to students residing within the boundaries of the paying school district not specifically mentioned elsewhere in the 560 series of account codes. Includes Katzenbach School for the Deaf.
- Used only with program 000 and function 100.
- 56X\* Contribution (Transfer) of Funds to Charter Schools. The payment (transfer) of district general fund revenues to charter schools for resident students attendance at the charter school. This account uses the alpha “X” which is not intended to represent all applicable numbers.
- Used only with general fund 10 and function code 100 or special revenue fund 20 and function code 100.
- 580 Travel. Expenditures for transportation, meals, hotel, and other expenses associated with staff travel for the district. Payments per diem in lieu of reimbursements for subsistence (room and board) also are charged here.
- Used with all functions except 500.
- 585 Board of Education (BOE) Other Purchased Services. Expenditures for district related Board travel including transportation, meals, hotel, and registration fees for out of district workshops and conferences
- Used only with function 230.
- 590 Miscellaneous Purchased Services. Purchased services other than those described above. Interdistrict payments other than tuition and transportation are reported here.
- 591 Residential Costs. Residential costs of living in institutions. These costs, which pertain to handicapped students, are exclusive of tuition costs.
- Used only with function 219.
- 592 Miscellaneous Purchased Services (400-500 Series Other Than Residential Costs). Purchased services other than those specifically mentioned elsewhere in the 590 series. Includes expenditures for advertising for such purposes as personnel recruitment, legal

**Object  
Code****Description**

ads or announcements in professional publications, newspapers or broadcasts over radio and television. Job printing, usually according to specifications of the school district for publications are included here.

- 593 Miscellaneous Purchased Services - Transportation. Purchased services in the 400-500 series other than cleaning, repair, and maintenance services and contracted transportation services. Transportation related insurance would be reported here.

Used only with function 270.

- 594 Sale/Leaseback Payments. Payments made pursuant to an agreement to sell and leaseback textbooks.

Used only with program code 000 and function code 251.

**600\***

**Supplies and Materials.** Amounts paid for material items of an expendable nature that are consumed, worn out, or deteriorated by use; or items that lose their identity through fabrication or incorporation into different or more complex units or substances. Supplies are distinguished from equipment by several factors. See Appendix B "Supplies and Equipment". Object code 600 is used where the detail provided by codes 610 -640 is not otherwise required. Refer to Appendix A for object codes with specific function codes.

Included are general supplies (including freight and cartage), energy, food, books and periodicals except when for specific instructional programs. Filmstrips, periodicals, and other reference items for use by staff but not for classroom instruction are included. Such items for general reference are recorded under Educational Media Services/School Library (function code 222). Forms, office supplies, paper supplies are included in this code.

- 610 General Supplies. Expenditures for supplies for the operation of an LEA including freight and cartage, other than those listed in objects 620 (Energy) and 640 (Textbooks). Include teaching supplies such as workbooks, tests, chalk, paper, pencils, paints, and other classroom supplies. Filmstrips, periodicals, and other reference items for specific classroom instruction (e.g., regular, vocational) are included here. Include expenditures for reference books for specific classroom instruction. Do not include the purchase of books for the initial library stock (object code 732) or textbooks furnished free to pupils (object code 640). Supplies for required maintenance and for other operation and plant maintenance are included here.

- 620 Energy. Expenditures for energy, including gas, oil, coal, gasoline, and services received from public or private utility companies other than water and sewage.

Used with function 262.

- 630 Board of Education In-House Training/Meeting Supplies. Costs for materials, supplies, and any outside consultant fees and their related expenses for in-house training for members of the Board of Education. Includes food, meeting materials and supplies.

Used only with function 230.

<b><u>Object Code</u></b>	<b><u>Description</u></b>
640	<u>Textbooks.</u> Includes expenditures for textbooks furnished free to pupils. Also includes binding and other textbook repairs; and freight and cartage of textbooks. Expenditures for books not meeting this definition are included in general supplies, object 610.
<b>700</b>	<b><u>Property.</u></b> Expenditures for acquiring fixed assets, including land or existing buildings, improvements of grounds, initial equipment, and replacement of equipment.
710*	<u>Land and Improvements.</u> Expenditures for the purchase of land and the improvements thereon. Purchase of air rights, mineral rights, and the like are included here. Also included are special assessments against the LEA for capital improvements such as streets, curbs, and drains. Not included here, but generally charged to object 450 are expenditures for improving sites and adjacent ways after acquisition by the LEA. Used with governmental funds only.  Used only with function 4XX.
720*	<u>Buildings.</u> Expenditures for acquiring existing buildings. Included are expenditures for installment or lease payments (except interest) which have a terminal date and result in the acquisition of buildings, except payments to public school housing authorities or similar agencies. Expenditures for the contracted construction of buildings, for major permanent structural alterations, and for the initial or additional installation of heating and ventilating systems, fire protection systems, and other service systems in existing buildings are recorded under object 450. Buildings built and alterations performed by the LEAs own staff are charged to objects 100 ,200, 610, and 730 where appropriate.  Building use charges for special projects are recorded here. These are charges for facilities owned by the district, allocated or otherwise, and which are allowable under grant guidelines.  Used only with function 4XX. Used with governmental funds only.
721	<u>Lease Purchase Agreements - Principal.</u> Amounts paid for the principal under lease purchase agreements for land and buildings.
722	<u>Buildings Other Than Lease Purchase Agreements.</u> Expenditures for acquiring existing buildings.
<b>723</b>	<b><u>Principal Payments – Commissioner Approved Lease Agreements.</u></b> Payments for principal for lease purchase agreements with terms in excess of five years approved prior to EFCFA.
730*	<u>Equipment.</u> Expenditures for the initial, additional, and replacement items of equipment such as machinery, furniture and fixtures, and vehicles. See Appendix B “Supplies and Equipment.”
731	<u>Instructional Equipment.</u> Expenditures for the initial, additional, and replacement items of furniture and equipment. Instructional furniture and equipment is purchased for use by

**Object  
Code****Description**

pupils and instructional staff in instruction programs. See Appendix B “Supplies and Equipment.”

Used with all functions except 500.

- 732 Non-Instructional Equipment. Expenditures for furniture and equipment, which are purchased for use in a non-instructional activity. Include the initial purchase of library books for a new library here. Record replacement of library books as supplies. See Appendix B “Supplies and Equipment”

Used with all functions except 500.

- 733 School Buses – Regular. Amounts paid for the purchase of pupil transportation vehicles for regular education routes.

Used with all functions except 500.

- 734 School Buses – Special. Amounts paid for the purchase of pupil transportation vehicles for special education routes.

Used with all functions except 500.

- 780\* Infrastructure. Expenditures for purchased infrastructure assets by the school district. These items include water/sewer systems, roads, bridges, and other assets that have significantly longer useful lives than other capital assets.

- 790 Depreciation. The portion of the cost of a capital asset which is charged as an expense during a particular period. In accounting for depreciation, the cost of a capital asset, less any salvage value, is apportioned over the estimated service life of such an asset, and each period is charged with a portion of such cost. Through this process, the cost of the asset is ultimately charged off as an expense. *[Accrual basis of accounting]*

- 800 Other Objects. Amounts paid for goods and services not classified above.

- 805 Abbott Parity Set Aside. Amount deducted by the state from the district’s Abbott Parity Remedy Aid to support required expenses.

- 810 Other Transportation Costs of Special Education Pupils – District Owned Vehicles. Expenditures for separately established routes for transporting special education pupils on district-owned buses. Category includes all actual or allocated costs, such as supplies. Such costs should not be included elsewhere in the budget.

Used only with function 270.

- 820 Judgments against the School District. Expenditures from current funds for all judgments against the school district that are not covered by liability insurance, but are of a type that might have been covered by insurance. Judgments against the school district resulting from failure to pay bills are recorded under the appropriate expenditure account. Legal



**Object  
Code****Description**

expenses for defending against judgments are not recorded here; they are recorded under object 331.

Use only with function 230.

- 830\* Interest. Expenditures for interest on bonds or notes (Used only with function 500).
- 831 Interest on Current Loans. Interest payments for short-term notes or loans that are repayable within one year of receiving the obligation.
- 832 Interest on Lease Purchase Agreements. Amounts paid for interest under lease purchase agreements for land and buildings. The interest portion of lease purchases of equipment items is not included here, but is budgeted and recorded as a rental cost under the program and function applicable to where the equipment will be used.
- 833 Interest for Commissioner Approved Lease Purchase Agreements. Interest on such agreements with terms in excess of five years approved prior to EFCFA.
- 834 Interest on Bonds.
- Used with the debt service fund 40.
- 835 Interest on Early Retirement Incentive (ERI) Bonds. Interest expense on refunding bonds issued to fund the district's accrued liability due and owing for early retirement incentive benefits.
- Used with the general fund.
- 836 Interest on Bond Anticipation Notes (BANs). Interest on short-term notes issued by a district in anticipation of bond proceeds to be received at a later date.
- Used with the general fund.
- 860 Indirect Costs. Cost incurred for support services that are not readily identified as program costs. Examples of such services are custodial services, bookkeeping services, utilities, and supervision. Indirect costs are determined by an assigned indirect cost rate.
- 870 Cost of Sales. The costs related to manufactured products or services rendered that are accounted for in a proprietary fund. The costs would encompass direct labor, materials, and overhead. Used only in a proprietary fund.
- 890 Miscellaneous Expenditures. Amounts paid for goods or services not properly classified in one of the above objects. Includes expenditures of assessments for membership in professional or other organizations or payment to a paying agent for services rendered. Used with all functions except 500.
- 895 Board of Education Membership Dues & Fees. Amounts paid for membership in school board associations, professional or other organizations for BOE members. Periodicals for BOE members are recorded here. Used with function 230.

<b><u>Object Code</u></b>	<b><u>Description</u></b>
<b>900</b>	<b><u>Other Uses of Funds.</u></b> This object is used to classify transactions which are not properly recorded as expenditures to the LEA or do not meet the classification criteria of the preceding objects but require budgetary or accounting control. These include redemption of principal on long-term debt, payments into sinking funds, and fund transfers.
910	<u>Redemption of Principal.</u> Amounts paid for the retirement of principal of loans and bonds. Excludes money borrowed and paid back during the same year.  Used only with function 510.
915	<u>Retirement of Early Retirement Incentive Program (ERIP) Liability.</u> Used to record the down payment of the district's early retirement incentive liability. Also used when such debt is refinanced by the district.
920	<u>Amounts Paid Into Sinking Fund.</u> Amounts paid from current funds into sinking funds which are to be used at a future date to retire term bonds or required by lease purchase agreement.  Used only with function 510.
930	<u>Fund Transfers/Contribution to Whole School Reform; Local Contribution Transfer to Special Revenue; and Transfers to Cover Deficit.</u> Includes all transactions conveying money from one fund to another without recourse. Generally, this takes the form of a transfer from the general fund to some other fund. General fund expenditures to cover deficit (Enterprise Fund) are recorded here.
931	<u>Capital Reserve Transfer to Capital Projects.</u> Used for the transfer of capital reserve amounts to the Capital Projects Fund.  Used only with general fund - capital outlay subfund 12.
932	<u>Current Capital Outlay Transfer to Capital Projects.</u> Used for the transfer of current capital outlay to the Capital Projects Fund.  Used only with general fund - capital outlay subfund 12.
933	<u>Capital Reserve – Transfer to Debt Service.</u> Capital reserve amounts transferred to the Debt Service Fund.  Used only with general fund -capital outlay subfund 12.
940	<u>Payment to Refunded Bond Escrow Agent.</u> Payment of the proceeds of advance refunding bonds to a bond escrow agent, to be invested in U.S. Treasury Bonds or other authorized securities and used to redeem the underlying bonds at their maturity or call date, to pay interest on the bonds being refunded, or to pay interest on the advance refunding bonds.  Used only with function 530.

**Object  
Code****Description**

950	<u>Scholarships.</u> Payment of scholarships from a trust fund.
960	<u>Losses from Investments.</u> Losses recognized from the sale of investments or changes in the fair value of investments. Losses represent the excess of the cost or any other basis at the date of sale (or valuation) over sales value (or fair value). For financial reporting purposes, GASB Statement 31 requires that all investment income, including changes in the fair value of investments, be reported as revenue in the operating statement.
961	<u>Realized Losses on Investments.</u> Losses recognized from the sale of investments.
962	<u>Unrealized Losses on Investments.</u> Losses recognized from changes in the value of investments. Losses represent the excess of the cost or any other basis at the date of valuation over fair value.
970	<u>Losses on the Sale of Capital Assets.</u> The excess of book value of the capital assets sold over the amount received. This account is used in the Proprietary and Fiduciary funds only. Revenue account 5300 is used for Governmental funds.  This account has been established for accounting for losses where only credits may be reported for revenue codes and only debits for expenditures codes. However, account 1930 may be used to record all gains or losses on these sales (reported as a contra revenue). <i>[Accrual basis of accounting]</i>
980	<u>Special Items.</u> Used to classify special items in accordance with GASB Statement 34. Included are transactions or events within the control of the school district administration that are either unusual in nature or infrequent in occurrence. Special items include events that are not within the control of the district. <i>[Accrual basis of accounting]</i>
990	<u>Extraordinary Items.</u> Used to classify items, in accordance with APB Opinion No. 30, that are transactions or events that are both unusual in nature and infrequent in occurrence. <i>[Accrual basis of accounting]</i> .

**Balance Sheet****Code      Description****SECTION 4. - BALANCE SHEET ACCOUNTS****ASSETS AND OTHER DEBITS****Code      Description****Current Assets.**

- 101      Cash in Bank. All funds on deposit with a bank or financial institution.
- 102      Cash on Hand. Currency, coins, checks, postal and express money orders, and bankers' drafts on hand.
- 103      Petty Cash. A sum of money set aside for the purpose of paying small obligations for which the issuance of a formal voucher and check would be too expensive and time-consuming.
- 104      Change Cash. A sum of money set aside for the purpose of providing change.
- 105      Cash with Fiscal Agents. Deposits with fiscal agents, such as commercial banks, for the payment of matured bonds and interest. This account would also be used for monies held in escrow under lease purchase agreements.
- 106      Cash Equivalents. Short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near maturity that they present insignificant risk of changes in value because of changes in interest rates. Generally, only investments with original maturities of three months or less meet this definition. Examples of items commonly considered to be cash equivalents are Treasury bills, commercial paper, certificates of deposit, money market funds, and cash management pools.
- 111      Investments. Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The account does not include capital assets used in district operations. Separate accounts for each category of investments may be maintained.
- 112      Unamortized Premiums on Investments. The excess of the amount paid for securities over the face value which has not yet been amortized. Use of this account is restricted to short-term investments.
- 113      Unamortized Discounts on Investments (Credit). The excess of the face value of securities over the amount paid for them which has not yet been written off. Use of this account is normally restricted to short-term investments.
- 114      Interest Receivable on Investments. The amount of interest receivable on investments, exclusive of interest purchased. Interest purchased should be shown in a separate account.

**Balance Sheet**

<b><u>Code</u></b>	<b><u>Description</u></b>
115	<u>Accrued Interest on Investments Purchased</u> . Interest accrued on investments between the last interest payment date and date of purchase. The account is carried as an asset until the first interest payment date after date of purchase.
116	<u>Investments - Capital Reserve Account</u> . The restricted asset account comprised of investments held for future capital projects and the earnings attributable to those investments.
117	<u>Investments - Maintenance Reserve Account</u> . The restricted asset account comprised of investments held for use exclusively for required maintenance of school facilities.
121	<u>Tax Levy Receivable</u> . The uncollected portion of taxes levied which has become due including any interest or penalties which may be accrued. Separate accounts may be maintained on the basis of tax roll year and/or current and delinquent taxes.
131	<u>Interfund Loans Receivable</u> . An asset account used to record a loan by one fund to another fund in the same governmental unit. It is recommended that separate accounts be maintained for each interfund loan receivable.
132	<u>Interfund Accounts Receivable</u> . An asset account used to indicate amounts owed to a particular fund by another fund in the same district for goods sold or services rendered. It is recommended that separate accounts be maintained for each interfund receivable.
140	<u>Intergovernmental Accounts Receivable</u> . Amounts due to the reporting governmental unit from another governmental unit. These amounts may represent grants-in-aid, shared taxes, taxes collected for the reporting unit by another unit, loans, tuition, and charges for services rendered by the reporting unit for another government.
141	<u>Intergovernmental Accounts Receivable - State</u> .
142	<u>Intergovernmental Accounts Receivable - Federal</u> .
143	<u>Intergovernmental Accounts Receivable – Other</u> .
151	<u>Loans Receivable</u> . Amounts which have been loaned to persons or organizations, including notes taken as security for such loans, where permitted by statutory authority.
152	<u>Allowance for Uncollectible Loans (Credit)</u> . The portion of loans receivable estimated not to be collectible. The account is shown on the balance sheet as a deduction from Account 151, <u>Loans Receivable</u> .
153	<u>Other Accounts Receivable</u> . Amount owing on open account from private person, firms, or corporations for goods and services furnished by the district (including tuition, but not including amounts due from other funds or from other governmental units).
154	<u>Allowance for Uncollectible Accounts Receivable (Credit)</u> . The portion of accounts receivable that is estimated will not be collected. The account is shown on the balance sheet as a deduction from the <u>Other Accounts Receivable</u> account.

**Balance Sheet**

<b><u>Code</u></b>	<b><u>Description</u></b>
161	<u>Bond Proceeds Receivable.</u> An account used to designate the amount receivable upon sale of bonds.
171	<u>Inventories for Consumption.</u> The cost of supplies and equipment on hand not yet distributed to requisitioning units.
172	<u>Inventories for Resale.</u> The value of goods held by a district for resale rather than for use in its own operations.
173	<u>Work in Process.</u> The costs of materials, labor and overhead assigned to items that have not been completed in the manufacturing process. Used only in the proprietary funds. <i>[Accrual basis of accounting]</i>
181	<u>Prepaid Expenses.</u> Expenses paid for benefits not yet received related to regularly recurring costs of operation. Prepaid expenses differ from deferred charges in that they are spread over a shorter period of time than deferred charges and are regularly recurring costs of operation. Examples of prepaid expenses are prepaid rent, prepaid interest, and unexpired insurance premiums.
191	<u>Deposits.</u> Funds deposited as prerequisite to receiving services and/or goods.
192	<u>Deferred Expenditures.</u> Certain disbursements that are made in one period, but are more accurately reflected as an expenditure/expense in the next fiscal period.
193	<u>Capitalized Bond and Other Debt Issuance Costs.</u> Represents certain bond and other debt issuance costs, including lease-purchase debt issuance costs that are capitalized for the purpose of accounting for the cost/valuation basis of capital assets. <i>[Accrual basis of accounting]</i>
194	<u>Premium and Discount on Issuance of Bonds.</u> Represents amounts to be amortized as debt premium/discount in connection with the issuance of bonds. <i>[Accrual basis of accounting]</i>
199	<u>Other Current Assets.</u> Current assets not provided for elsewhere.
<b><u>200</u></b>	<b><u>Capital Assets.</u></b> Those assets which the district intends to hold or continue to have in use over a long period of time. Capital assets include land, improvements to land, easements, buildings and building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have useful lives that extend beyond a single reporting period. <i>[Accrual basis of accounting]</i>
211	<u>Land and Land Improvements.</u> Capital asset account that reflects the acquisition value of land owned by the district. If land is purchased, this account includes the purchase price and costs such as legal fees, filling and excavation costs, and other associated improvement costs incurred to put the land in condition for its intended use. If land is acquired by gift, the account reflects its fair value at the time of acquisition. Further, permanent improvements to land, such as grading and fill, should be accounted for in this account. <i>[Accrual basis of accounting]</i>

**Balance Sheet****Code      Description**

Land and land improvements are considered nonexhaustible assets owing to their significantly long expected useful life. Nonexhaustible assets are not to be depreciated. Therefore, not all assets classified by asset code 211 will result in a depreciation expense. *[Accrual basis of accounting]*

- 221      Site Improvements. The capital asset account that reflects the acquisition value of nonpermanent improvements to building sites, other than buildings, which add value to land. Examples of such improvements are fences, retaining walls, sidewalks, pavements, gutters, tunnels, and bridges. If the improvements are purchased or constructed, this account contains the purchase or contract price. If improvements are obtained by gift, it reflects the **fair** value at time of acquisition.

Site improvements are improvements that have a limited useful life. Because these improvements decrease in their value/usefulness over time, it is appropriate to depreciate these assets. Therefore, all capitalized site improvements should be depreciated over their expected useful life. *[Accrual basis of accounting]*

- 222      Accumulated Depreciation on Site Improvements. Accumulated amounts for depreciation of site improvements. *[Accrual basis of accounting]*

- 231      Buildings and Building Improvements. A capital asset account which reflects the acquisition value of permanent structures used to house persons and property owned by the district. If buildings are purchased or constructed, this account includes the purchase or contract price of all permanent buildings and the fixtures attached to and forming a permanent part of such buildings. This account includes all building improvements, including upgrades made to building wiring for technology. If buildings are acquired by gift, the account reflects their **fair** value at the time of acquisition. *[Accrual basis of accounting]*

- 232      Accumulated Depreciation on Buildings and Building Improvements. Accumulated amounts for depreciation of buildings and building improvements. *[Accrual basis of accounting]*

- 241      Machinery and Equipment. Tangible property of a more or less permanent nature, other than land, buildings, or improvements thereto, which is useful in carrying on operations. Examples are machinery, tools, trucks, cars, buses, computers, purchased software, furniture, and furnishings. *[Accrual basis of accounting]*

- 242      Accumulated Depreciation on Machinery and Equipment. Accumulated amounts for depreciation of machinery and equipment. *[Accrual basis of accounting]*

- 251      Works of Art and Historical Treasures. Individual items or collections of items that are of artistic or cultural importance. *[Accrual basis of accounting]*

- 252      Accumulated Depreciation of Works of Art and Historical Collections. Accumulated amounts for the depreciation (as applicable) of works of art and historical treasures. *[Accrual basis of accounting]*

**Balance Sheet****Code      Description**

261	<u>Infrastructure.</u> A capital asset, network, or subsystem that has a useful life that is significantly longer than those of other capital assets. These assets may include water/sewer systems, roads, bridges, tunnels, and other similar assets. <i>[Accrual basis of accounting]</i>
262	<u>Accumulated Depreciation on Infrastructure.</u> Accumulated amounts for the depreciation of infrastructure assets. <i>[Accrual basis of accounting]</i>
271	<u>Construction in Progress.</u> The cost of construction work undertaken but not yet completed. <i>[Accrual basis of accounting]</i>

**BUDGETARY ACCOUNTS (REVENUE)**

Budgetary accounts are integrated into the accounting system in order to compare the actual revenues and expenditures to the budgeted amounts at any point in time. The importance of this procedure is to prevent overspending.

Revenue accounts consist of control accounts as well as individual accounts. The control accounts are used to record the aggregate amount in the general ledger while the detail of the control account is recorded in a subsidiary ledger by individual accounts. The revenue subsidiary ledger is used to record the details of the control accounts and should include estimated and actual revenues.

Budgeted fund balance and withdrawals of reserved fund balance are included here, although not true revenue. Although not a true revenue source, these accounts appear in the revenue section of the annual budget in order to balance the expenditure side.

301	<u>Estimated Revenues</u> (Control Account / Normal Debit Balance). The amount of revenues estimated to be received or to become receivable during the fiscal period. This account is debited to record the adoption of the annual budget. At the end of the fiscal period this account is closed out and does not appear in the balance sheet. It would only appear in interim financial statements.
302	<u>Revenues</u> (Control Account / Normal Credit Balance). The total of all revenues realized during a period. This includes receivables for revenues whose actual collections will not differ from the amounts in the certified budget (tax levy and state aid) as well as actual receipts of other types of revenue. At the end of the fiscal period this account is closed out and does not appear in the balance sheet. It would only appear in interim financial statements.
303	<u>Budgeted Fund Balance.</u> This account reflects the amount of fund balance the LEA will utilize in supporting the anticipated appropriations for the school budget. The account is debited to record the adoption of the annual budget. It would only appear in interim financial statements. At the end of the fiscal period, this account is closed out and does not appear in the balance sheet.
307	<u>Budgeted Withdrawal from Capital Reserve</u> (Eligible Costs – fund 10 or ECPA – fund 20). The budgetary account used to record the formal appropriation of eligible costs for a



**Balance Sheet****Code**      **Description**

school facilities project in the current year. This account would only appear in interim financial statements. At the end of the fiscal period, this account is closed out and does not appear in the balance sheet.

- 308      Budgeted Withdrawal From Sale/Leaseback Reserve. The budgetary account used to record the formal appropriation from the sale/leaseback reserve. At the end of the fiscal period, this account is closed out and does not appear in the balance sheet.
- 309      Budgeted Withdrawal from Capital Reserve – Excess Costs and Other Capital Projects. A budgetary account used to record the formal appropriation of excess costs accumulated in the capital reserve account for current year appropriations. At the end of the fiscal period, this account is closed out and does not appear in the balance sheet.
- 310      Budgeted Withdrawal from Maintenance Reserve. A budgetary account used to record the formal appropriation of funds accumulated in the maintenance reserve account for current year appropriations. At the end of the fiscal period, this account is closed out and does not appear in the balance sheet.
- 311      Budgeted Withdrawal from Tuition Reserve. A withdrawal is made from the Tuition Reserve upon certification of rates in the third year following a contract year. Full appropriation of the applicable year's reserve must be liquidated and any remaining balance related to that year must be reserved and budgeted for tax relief.

**LIABILITIES, RESERVES, AND FUND BALANCE AND OTHER CREDITS****Current Liabilities**

- 401      Interfund Loans Payable. A liability account used to record a debt owed by one fund to another fund in the same governmental unit. It is recommended that separate accounts be maintained for each interfund loan.
- 402      Interfund Accounts Payable. A liability account used to indicate amounts owed by a particular fund and services rendered. It is recommended that separate accounts be maintained for each interfund account payable.
- 410      Intergovernmental Accounts Payable. Amounts owed by the reporting district to another governmental unit.
- 411      Intergovernmental Accounts Payable - State.
- 412      Intergovernmental Accounts Payable - Federal.
- 413      Intergovernmental Accounts Payable – Other.
- 421      Accounts Payable. Liabilities on open account owing to private persons, firms or corporations for goods and services received (but not including amounts due to other funds of the district or to other governmental units). Includes amounts due to designated

**Balance Sheet****Code      Description**

	payees in the form of a written order drawn by the district directing the treasurer to pay a specific amount.
422	<u>Judgments Payable.</u> Amounts due to be paid by the district as the result of court decisions, including condemnation awards in payment for private property taken for public use.
430	<u>Compensated Absences Payable.</u> Amounts owed to employees for unpaid vacation and sick leave liabilities that will be paid within one year.
431	<u>Contracts Payable.</u> Amounts due on contracts for goods or services received by the district.
432	<u>Construction Contracts Payable – Retainage.</u> Liabilities on account of construction contracts for that portion of the work which has been completed but on which part of the liability has not been paid pending final inspection, or the lapse of a specified time period or both. The unpaid amount is usually a stated percentage of the contract price.
433	<u>Construction Contracts Payable.</u> Amounts due on contracts for construction of buildings, structures, and other improvements.
441	<u>Matured Bonds Payable.</u> Bonds which have reached or passed their maturity date but which remain unpaid.
442	<u>Bonds Payable - Current.</u> Bonds that have not reached or passed their maturity date but are due within one year or less. <i>[Accrual basis of accounting]</i>
443	<u>Unamortized Premiums on Bonds Sold.</u> An account that represents that portion of the excess of bond proceeds over par value and that remains to be amortized over the remaining life of such bonds. <i>[Accrual basis of accounting]</i>
451	<u>Loans Payable.</u> Short-term obligations representing amounts borrowed for short periods of time usually evidenced by notes payable or warrants payable.
452	<u>Lease Obligations – Current.</u> Capital lease obligations that are due within one year. <i>[Accrual basis of accounting]</i>
455	<u>Interest Payable.</u> Interest due within one year. <i>[Accrual basis of accounting]</i>
461	<u>Accrued Salaries and Benefits.</u> Salary and fringe benefit costs incurred during the current accounting period which are not payable until a subsequent accounting period.
471	<u>Payroll Deductions and Withholdings.</u> Amounts deducted from employees' salaries for withholding taxes and other purposes. District-paid benefits amounts payable also are included. A separate liability account may be used for each type of benefit.
481	<u>Deferred Revenues.</u> A liability account which represents revenues collected before they become due.

**Balance Sheet****Code      Description**

- 491      Deposits Payable. Liabilities for deposits received as a prerequisite to providing or receiving services and/or goods.
- 492      Due to Fiscal Agent. Amounts due to fiscal agents, such as commercial banks, for serving the district's matured indebtedness.
- 499      Other Current Liabilities. Other current liabilities not provided for elsewhere.

**Long-Term Liabilities.** Obligations with a maturity of more than one year. Use with *accrual basis of accounting*.

- 511      Bonds Payable. Bonds that have not reached or passed their maturity date and which are not due within one year. *[Accrual basis of accounting]*
- 512      Accreted Interest. An account that represents interest that is accrued on deep discount bonds. This account should be used by school districts that issue capital appreciation bonds. Such bonds are usually issued at a deep discount from the face value, and no interest payment is made until maturity. Under full accrual accounting, the district is required to accrete the interest on the bonds over the life of the bonds. Accretion is the process of systematically increasing the carrying amount of the bond to its estimated value at the maturity date of the bond. To calculate accreted interest, the district should impute the effective interest rate, using the present value, the face value (or the future value), and the period of the bond, and multiply the effective interest rate by the book value of the debt at the end of the period. Accreted interest is usually recorded as an addition to the outstanding debt liability. *[Accrual basis of accounting]*
- 513      Unamortized Gains/Losses on Debt Refunding. An account that represents the difference between the reacquisition price and the net carrying amount of old debt when a current or advance refunding of debt occurs. This account should be used only when defeasance of debt occurs for Proprietary funds. The unamortized loss amount should be deferred and amortized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter. On the balance sheet, this deferred amount should be reported as a deduction from or an addition to the new debt liability. *[Accrual basis of accounting]*
- 521      Loans Payable. An unconditional written promise signed by the maker to pay a certain sum of money one year or more after the date of issuance. *[Accrual basis of accounting]*
- 531      Capital Lease Obligations. Amounts remaining to be paid on capital lease agreements. *[Accrual basis of accounting]*
- 540      Long-Term Compensated Absences Payable. Long-term portion of amounts owed to employees for unpaid vacation and sick leave liabilities. *[Accrual basis of accounting]*
- 541      Unfunded Pension Liabilities. The amount of the actuarial deficiency on a pension plan to be contributed by the district on behalf of present employees. *[Accrual basis of accounting]*

**Balance Sheet**

<b><u>Code</u></b>	<b><u>Description</u></b>
561	<u>Arbitrage Rebate Liability.</u> Liabilities arising from arbitrage rebates to the IRS from bond financing. <i>[Accrual basis of accounting]</i>
590	<u>Other Long-Term Liabilities.</u> Other long-term liabilities not provided for elsewhere. <i>[Accrual basis of accounting]</i>

**Balance Sheet****Code      Description****BUDGETARY ACCOUNTS (EXPENDITURES)**

These accounts reflect budgeted and actual amounts related to expenditures and encumbrances. Budgetary accounts are integrated into the accounting system in order to compare the actual revenues and expenditures to the budgeted amounts at any point in time. The importance of this procedure is to prevent overspending.

Expenditure accounts consist of control accounts as well as individual accounts. The control account is used to record the aggregate amount in the general ledger while the detail of the control account is recorded in a subsidiary ledger by individual accounts. The expenditure subsidiary ledger is used to record the details of the control accounts and should include appropriations, encumbrances and expenditures.

- 601      Appropriations (Control Account/Normal Credit Balance). The total amount authorized by the school board or legislative body to make expenditures for specific purposes. This account is credited to record the adoption of the annual budget. At the end of the fiscal period this account is closed out and does not appear in the balance sheet. It would only appear in interim financial statements.
  
- 602      Expenditures/Expenses (Control Account/Normal Debit Balance). The total of expenditures in governmental funds or operating expenses in proprietary funds charged against appropriation during such period. The expenditure account is shown in each governmental fund balance sheet as a deduction from the Appropriations account to arrive at the unexpended balance of total appropriations. At the end of the fiscal period this account is closed out and does not appear in the balance sheet. It would only appear in interim financial statements.
  
- 603      Encumbrances (Control Account/Normal Debit or Credit Balance). This account designates obligations in the form of purchase orders, contracts, or salary commitments which are chargeable to an appropriation and for which part of the appropriation is reserved. In an interim balance sheet, encumbrances are deducted along with the expenditures from the Appropriations account to arrive at the unencumbered balance.
  
- 604      Increase in Capital Reserve /Interest Deposit to Capital Reserve. The budgetary account used to record increases in the capital reserve account for approved anticipated deposits.
  
- 605      Increase in Sale/Leaseback Reserve. The same reporting mechanism that is used for reporting capital reserve accounts should also be used for the sale/leaseback reserve account. Used to record a budgeted increase in the account balance.
  
- 606      Increase in Maintenance Reserve. The budgetary account used to record a budgeted increase in the maintenance reserve for anticipated deposits that will be used to fund future maintenance projects.

**Balance Sheet**

<b><u>Code</u></b>	<b><u>Description</u></b>
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**Fund Balances/Fund Net Assets****Statement of Net Assets**

- |     |  |
|-----|--|
| 710 | <u>Invested in Capital Assets, Net of Related Debt.</u> This account is used to record the net asset component invested in capital assets, net of related debt, which represents total capital assets less accumulated depreciation less debt directly related to capital assets. <i>[Accrual basis of accounting]</i> |
| 720 | <u>Restricted Net Assets.</u> This account is used to record the net assets component- restricted net assets, which represents net assets restricted by sources internal or external to the district. <i>[Accrual basis of accounting]</i>   |
| 730 | <u>Unrestricted Net Assets.</u> This account is used to record the net asset component- unrestricted net assets, which represents net assets not classified in net assets invested in capital assets net of related debt (710) and restricted net assets (720). <i>[Accrual basis of accounting]</i>                   |

**Balance Sheet**

- |     |   |
|-----|---|
| 750 | <u>Reserved Fund Balance.</u> A reserve that represents the segregation of a portion of a fund balance to indicate that assets equal to the amount of the reserve are not available for appropriation.  |
| 751 | <u>Reserve for Inventories.</u> A reserve representing that portion of a fund balance segregated to indicate that assets equal to the amount of the reserve are invested in inventories and are, therefore, not available for appropriation. The use of this account is optional unless the purchases method of accounting for inventory is used. |
| 752 | <u>Reserve for Prepaid Items.</u> A reserve representing that portion of a fund balance segregated to indicate that assets equal to the amount of the reserve are invested in prepaid expenses and are, therefore, not available for appropriation. The use of this account is optional.  |
| 753 | <u>Reserve for Encumbrances – Current Year.</u> A reserve representing that portion of a fund balance segregated to provide for unliquidated encumbrances from the current year, i.e., orders issued in the current year that will be honored in the subsequent year.   |
| 754 | <u>Reserve for Encumbrances – Prior Year.</u> A reserve representing that portion of a fund balance segregated to provide for unliquidated encumbrances from the prior year.  |
| 761 | <u>Reserved Fund Balance - Capital Reserve Account.</u> A reserve account maintained in the general fund for the accumulation of funds for future capital projects.   |
| 762 | <u>Reserved for Adult Education.</u> A reserve representing that portion of a fund balance segregated to indicate that assets equal to the amount of the reserve are tied up and are, therefore, not available for appropriation.   |

**Balance Sheet****Code**      **Description**

- 763 Reserved for Sale/Leaseback. A reserve account in the general fund established pursuant with all or part of the proceeds from the sale and lease-back of textbooks and non-consumable instructional materials. Subsequent appropriation from the reserve account shall only be made within the original budget certified for taxes or as approved by the Commissioner for good cause.
- 764 Reserved for Maintenance. A reserve of fund balance to accumulate funds for the statutorily required maintenance of a facility.
- 765 Reserved for Tuition Payments. A reserve representing that portion of a fund balance segregated to indicate that assets equal to the amount of the reserve are tied up and are, therefore, not available for appropriation.
- 770 Unreserved Fund Balance. Unreserved fund balance represents the excess of the assets of a fund over the fund's liabilities and reserves. It serves as a measure of current available financial resources. Unreserved fund balance may be subdivided into designated and undesignated portions.
- 771 Designated Fund Balance. A designation representing that portion of unreserved fund balance segregated to indicate that the governing board or senior management has earmarked assets equal to the amount of the designation for a bona fide purpose in the future.

**SECTION 5. - MISCELLANEOUS ACCOUNTS (CLEARING ACCOUNTS)**

- 801     Insurance Adjustments. This account is for the purpose of recording the receipts and expenditures of money for losses of school property from fire, theft, or other causes, when such losses are covered wholly or partly by insurance. At the completion of the project, an excess of revenues over expenditures would be recorded under Account 5300, Other Sources, Sale or Compensation for Loss of Fixed Assets. Expenditures in excess of revenue would be recorded under the appropriate expenditure accounts. In recording the net expenditure in such cases, it should be prorated to each expenditure class in the same proportion as the gross expenditure was divided.
- 801     Central Depository Accounts. Clearing accounts used for the purpose of maintaining individual cash balances by fund in situations where one central bank account is used more than one fund. When the account balances in this series are summed, the resulting total will always be zero.
- 802     A Cash Depository – Cash.
- 802     B Cash Depository – Due to General Current Expense Subfund.
- 802     C Cash Depository – Due to Capital Outlay Subfund.
- 802     D Cash Depository – Due to Special Schools Subfund.
- 802     E Cash Depository – Due to Special Revenue Fund.
- 802     F Cash Depository – Due to Capital Projects Fund.
- 802     G Cash Depository – Due to Debt Service Fund.
- 802     H Cash Depository– Due to Enterprise and Internal Service Fund



**SECTION 6. - COUNTY VOCATIONAL AND SPECIAL SERVICES DISTRICT**

This section includes codes that differ from the regular district codes shown in Sections 2 and 3 of this Chart of Accounts. County vocational and special services districts should refer to those sections for all other coding.

**Revenue  
Source**

<b><u>Code</u></b>	<b><u>Description</u></b>
1300	<u>Tuition</u> . Revenue from individuals, LEA's and other sources for education provided by the county school district. Fees for adult education programs are recorded in account 1990. Used by either county vocational or special services districts.
1310	<u>Tuition from LEAs</u>
1320	<u>Tuition from Individuals</u>
1330	<u>Tuition from Other Sources</u>
1340	<u>Tuition from Summer School</u>
1350	<u>Non-Resident Fees</u>
3180	<u>County Vocational Education Program Aid</u> . State aid paid to county vocational school districts for county vocational education programs. Use this classification in the general current expense subfund of county vocational school districts.
3191	<u>Aid for Adult and Post-Graduate Programs</u> . This aid category is used by regular and vocational districts only.
3192	<u>Post-Secondary Vocational Program Aid</u> . State aid for pupils enrolled in approved full-time post-secondary programs. Used only by county vocational districts.

**Program  
Code**

<b><u>Code</u></b>	<b><u>Description</u></b>
221	<u>Extended School Year</u> . Special education and related services that are provided to a student with a disability beyond the normal school year in accordance with the student's IEP at no cost to the parent. Used only by county special services districts.
300	<u>Vocational Programs</u> . Activities that provide students with the opportunity to develop the knowledge, skills, and attitudes needed for employment in an occupational area. Used only by county vocational school districts.
310	<u>Regular Vocational Programs – Instruction</u> . A program is considered regular when its classes contain only regular education pupils, including mainstreamed special education pupils.
320	<u>Special Vocational Programs – Instruction</u> . A program is considered special when its classes contain only special education pupils.
330	<u>Post-Secondary Programs</u> . A program established for adult vocational students, both day and evening, which is recorded in the Special Schools subfund 13.

## APPENDIX A

### EXPENDITURE ACCOUNT OUTLINE

#### 1. OVERVIEW

The following expenditure account outline lists the minimum level of detail to be maintained in the chart of accounts for compliance with DOE and federal reporting requirements. This handbook has described in detail the funds, programs, functions, and objects that comprise the coding structure of the chart of accounts. Appendix A illustrates a coding structure that incorporates the minimum function and object detail required to meet the aforementioned reporting requirements for each program. As reporting needs differ among programs, the function and object coding may be structured at the category or subcategory level. If at the category level (X00), the outline coding is a summary of subcategories with no specific detail breakout required. If a subcategory (XXX) is included in the coding, specific detail breakout is required for those expenditures, with remaining similar category items summarized in an “other” or “miscellaneous” subcategory (XX0). The account outline is not intended to dictate a standard chart of accounts for all districts, but offers an overview of expenditure categorizations within programs. When establishing their individual chart of accounts, handbook users should reference the expenditure account outline to assure that the coding established meets the minimum requirements. (Note: The outline is not applicable for county vocational and special services school districts. County schools are required to maintain the object detail reflected in the applicable prescribed budget statement).

#### 2. MINIMUM OUTLINE

F U N D	P R O G R A M	F U N C T I O N	O B J E C T
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11

General Current Expense

(Vocational expenditures may be recorded in Regular Programs, except those required for state and federal matching.)

105			Regular Programs – Preschool
	100		Instruction
		101	Salaries of Teachers
		930	Local Contribution – Transfer to Special Revenue
110			Regular Programs – Kindergarten
	100		Instruction
		101	Salaries of Teachers
		930	Local Contribution – Transfer to Special Revenue
120			Regular Programs – Grade 1- 5
	100		Instruction
		101	Salaries of Teachers
130			Regular Programs – Grade 6-8
	100		Instruction
		101	Salaries of Teachers
140			Regular Programs – Grade 9-12
	100		Instruction
		101	Salaries of Teachers

F U N D	P R O G R A M	F U N C T I O N	O B J E C T	
	150	100	101	Regular Programs – Home Instruction
			106	Salaries of Teachers
			320	Other Salaries of Instruction
			340	Purchased Professional & Educational Services
			500	Purchased Technical Services
			610	Other Purchased Services (400-500 series)
			640	General Supplies
			800	Textbooks
			800	Other Objects
	190	100		Regular Programs – Undistributed Instruction
			106	Instruction
			320	Other Salaries of Instruction
			340	Purchased Professional - Educational Services
			500	Purchased Technical Services
			610	Other Purchased Services (400-500 series)
			640	General Supplies
			805	Textbooks
			890	Abbott Parity Set Aside
	201	100		Miscellaneous Expenditures
				Special Education – Cognitive Mild
			101	Instruction
			106	Salaries of Teachers
			320	Other Salaries of Instruction
			340	Purchased Professional & Educational Services
			500	Purchased Technical Services
			610	Other Purchased Services (400-500 series)
			640	General Supplies
			800	Textbooks
	202	100		Other Objects
				Special Education – Cognitive Moderate
			xxx	Instruction
	204	100		Objects same as program 201
				Special Education – Learning and/or Language Disabilities
			xxx	Instruction
	206	100		Objects same as program 201
				Special Education – Visual Impairments
			xxx	Instruction
	207	100		Objects same as program 201
				Special Education – Auditory Impairments
			xxx	Instruction
	209	100		Objects same as program 201
				Special Education – Behavioral Disabilities
			xxx	Instruction
	212	100		Objects same as program 201
				Special Education – Multiple Disabilities
			xxx	Instruction
	213	100		Objects same as program 201
				Special Education – Resource Room/Resource Center
				Instruction

<b>F U N D</b>	<b>P R O G R A M</b>	<b>F U N C T I O N</b>	<b>O B J E C T</b>	
			xxx	Objects same as program 201
	214			Special Education – Autism
		100		Instruction
			xxx	Objects same as program 201
	215			Special Education – Preschool Disabilities – Part Time
		100		Instruction
			xxx	Objects same as program 201
	216			Special Education – Preschool Disabilities – Full Time
		100		Instruction
			xxx	Objects same as program 201
	219			Special Education – Home Instruction
		100		Instruction
			xxx	Objects same as program 201
	222			Special Education – Cognitive Severe
		100		Instruction
			xxx	Objects same as program 201
	230			Special Education – Basic Skills/Remedial - Instruction
		100		Instruction
			xxx	Objects same as program 201
	240			Special Education – Bilingual Education - Instruction
		100		Instruction
			xxx	Objects same as program 201
	301-330			Vocational Programs – Local
		100		Instruction
			xxx	Objects same as program 201
	401			School Sponsored Co-curricular and Extra-Curricular Activities
		100		Instruction
			100	Salaries
			500	Purchased Services (300-500 series)
			600	Supplies and Materials
			800	Other Objects
			930	Transfer to Cover Deficit (Agency Funds)
	402			School Sponsored Athletics
		100		Instruction
			xxx	Objects same as program 401
	403-421			Other Instructional Programs
		100		Instruction
			xxx	Objects same as program 401
	800			Community Services Programs
		330		Community Services Operations
			100	Salaries
			500	Purchased Services (300-500 series)
			600	Supplies and Materials
			800	Other Objects
			930	Transfer to Cover Deficit (Enterprise Fund)
	000			Undistributed Expenditures
		100		Instruction
			561	Tuition to Other LEAs Within the State -Regular
			562	Tuition to Other LEAs Within the State – Special Ed.

F U N D	P R O G R A M	F U N C T I O N	O B J E C T	
			563	Tuition to County Vocational School Districts – Regular
			564	Tuition to County Vocational School Districts – Special Ed
			565	Tuition to County Special Services Districts and Regional Day Schools Within the State
			566	Tuition to Private Schools for the Disabled Within the State
			567	Tuition to Private Schools for the Disabled Outside the State
			568	Tuition – State Facilities
			569	Tuition – Other
			56X	Transfer of Funds to Charter Schools [Used only with fund 10]
		211		Attendance and Social Work Services
			100	Salaries
			300	Purchased Professional and Technical Services
			500	Other Purchased Services (400-500 series)
			600	Supplies and Materials
			800	Other Objects
		213		Health Services
			xxx	Objects same as function 211
		216		Other Support Services – Student Related Services
			100	Salaries
			320	Purchased Professional and Educational Services
			600	Supplies and Materials
			800	Other Objects
		217		Other Support Services – Students - Extraordinary
			xxx	Objects same as function 216
		218		Other Support Services – Students - Regular
			104	Salaries of Other Professional Staff
			105	Salaries of Secretarial and Clerical Assistants
			110	Other Salaries
			320	Purchased Professional - Educational Services
			390	Other Purchased Professional and Technical Services
			500	Other Purchased Services (400-500 series)
			600	Supplies and Materials
			800	Other Objects
		219		Other Support Services – Students – Special
			104	Salaries of Other Professional Staff
			105	Salaries of Secretarial and Clerical Assistants
			110	Other Salaries
			320	Purchased Professional - Educational Services
			390	Other Purchased Professional and Technical Services
			591	Residential Costs
			592	Misc. Purchased. Serv. (400-500 Series Other than Residential Costs)
			600	Supplies and Materials
			800	Other Objects
		221		Improvement of Instruction Services
			102	Salaries of Supervisors of Instruction
			104	Salaries of Other Professional Staff
			105	Salaries of Secretarial and Clerical Assistants
			110	Other Salaries
			320	Purchased Professional –Education Services

F U N D	P R O G R A M	F U N C T I O N	O B J E C T	
			390	Other Purchased Professional and Technical Services
			500	Other Purchased Services (400-500 series) [other than 444]
			600	Supplies and Materials
			800	Other Objects
		222		Educational Media Services/School Library
			100	Salaries
			300	Purchased Professional and Technical Services
			500	Other Purchased Services (400-500 series)
			600	Supplies and Materials
			800	Other Objects
		223		Instructional Staff Training Services
			102	Salaries of Supervisors of Instruction
			104	Salaries of Other Professional Staff
			105	Salaries of Secretarial and Clerical Assistants
			110	Other Salaries
			320	Purchased Professional –Education Services
			390	Other Purchased Professional and Technical Services
			500	Other Purchased Services (400-500 series)
			600	Supplies and Materials
			800	Other Objects
		230		Support Services – General Administration
			100	Salaries
			331	Legal Services
			332	Audit Fees
			339	Other Purchased Professional Services
			340	Purchased Technical Services
			530	Communications/Telephone
			585	BOE Other Purchased Services
			590	Other Purchased Services (400-500 series) [other than 530 and 585]
			610	General Supplies
			630	BOE In-House Training/Meeting Supplies
			820	Judgments Against The School Districts
			890	Miscellaneous Expenditures
			895	BOE Membership Dues and Fees
		240		Support Services – School Administration
			103	Salaries of Principals/Assistant Principals/Program Directors
			104	Salaries of Other Professional Staff
			105	Salaries of Secretarial and Clerical Assistants
			110	Other Salaries
			300	Purchased Professional and Technical Services
			500	Other Purchased Services (400-500 series)
			600	Supplies and Materials
			800	Other Objects
		251		Support Services - Central Services
			100	Salaries
			330	Purchased Professional Services
			340	Purchased Technical Services
			592	Misc. Purchased Services (400-500 series)
			594	Sale/Leaseback Payments

F U N D	P R O G R A M	F U N C T I O N	O B J E C T	
			600	Supplies and Materials
			831	Interest on Current Loans
			832	Interest on Lease Purchase Agreements
			836	Interest on Bond Anticipation Notes (BANs)
			890	Miscellaneous Expenditures
		252		Support Services - Administrative Information Technology Services
			100	Salaries
			330	Purchased Professional Services
			340	Purchased Technical Services
			500	Other Purchased Services (400-500 series)
			600	Supplies and Materials
			800	Other Objects
		261		Required Maintenance for School Facilities
			100	Salaries
			420	Cleaning, Repair, and Maintenance Services
			610	General Supplies
			800	Other Objects
		262		Other Operation and Maintenance of Plant Services
			100	Salaries
			300	Purchased Professional and Technical Services
			420	Cleaning, Repair, and Maintenance Services
			441	Rental of Land & Building (Other than Lease-Purchases)
			490	Other Purchased Property Services
			520	Insurance
			590	Miscellaneous Purchased Services
			610	General Supplies
			620	Energy (Heat and Electricity)
			800	Other Objects
		270		Student Transportation Services
			160	Salaries for Pupil Transport. (Between Home & School ) – Regular [1992 H2R2 - code 107]
			161	Salaries for Pupil Transport. (Between Home & School ) – Special Ed. [1992 H2R2 – code 108]
			162	Salaries for Pupil Transport. (Other Than Between Home & School) [1992 H2R2 - code 109]
			163	Salaries for Pupil Transportation (Between Home & School )- Non-Public School
			350	Management Fees – ESC Transportation Programs
			390	Other Purchased Professional and Technical Services
			420	Cleaning, Repair, and Maintenance Services
			442	Rental Payments – School Buses
			443	Lease Purchased Payments – School Buses
			503	Contracted Services – Aid In Lieu of Payment for Non-public School Students [Previously included in code 519]
			504	Contracted Services – Aid In Lieu of Payment for Charter School Students [Previously included in code 519]
			511	Contracted Services – Transportation (Between Home and School) - Vendors
			512	Contracted Services –Transportation (Other than Between Home

F U N D	P R O G R A M	F U N C T I O N	O B J E C T
			and School) – Vendors
			513 Contracted Services (Between Home & School) – Joint Agreements
			514 Contracted Services (Special Ed. Students) – Vendors
			515 Contracted Services (Special Ed. Students) – Joint Agreements
			517 Contracted Services (Regular Students) – ESC & CTSA
			518 Contracted Services (Special Ed. Students) – ESC & CTSA
			593 Miscellaneous Purchased Services - Transportation
			600 Supplies and Materials
			800 Other Objects
		290	Other Support Services
			100 Salaries
			500 Miscellaneous Purchased Services (300-500 Series)
			600 Supplies, Textbooks and Materials
			800 Miscellaneous Expenditures
		310	Food Services
			100 Salaries
			500 Purchased Services (300-500 series)
			600 Supplies and Materials
			800 Other Objects
			930 Transfer to Cover Deficit (Enterprise Fund)
		520	Fund Transfer
			930 Fund Transfers (Contribution to Whole School Reform used only with Fund 10)
	1xx		Regular Programs- Allocated Benefits [Program codes 105, 110, 120, 130, 140, 150, 190]
		100	Instruction
			210 Employee Benefits -Group Insurance
			220 Employee Benefits -Social Security Contributions
			232 Employee Benefits -T.P.A.F. Contributions – ERIP
			241 Employee Benefits - Other Retirement Contributions - Regular
			242 Employee Benefits - Other Retirement Contributions - ERIP
			250 Employee Benefits - Unemployment Compensation
			260 Employee Benefits - Workmen’s Compensation
			270 Employee Benefits - Health Benefits
			280 Employee Benefits - Tuition Reimbursement
			290 Employee Benefits – Other
	2xx		Special Education Programs – Allocated Benefits [Program codes 201-240]
		100	Instruction
			xxx Objects same as program 1xx
	3xx		Vocational Programs – Allocated Benefits [Program codes 301-330]
		100	Instruction
			xxx Objects same as program 1xx
	4xx		Other Instructional Programs - Instruction- Allocated Benefits [Program codes 401-421]
		100	Instruction
			xxx Objects same as program 1xx
	800		Community Service Programs – Allocated Benefits



F U N D	P R O G R A M	F U N C T I O N	O B J E C T	
		330		Community Services
	000		xxx	Objects same as program 1xx
		211		Undistributed Expenditures – Allocated Benefits
			xxx	Support Services- Attendance and Social Work Services
		213		Objects same as program 1xx
			xxx	Support Services - Health Services
		216		Objects same as program 1xx
			xxx	Other Support Services – Students – Related Services
		217		Objects same as program 1xx
			xxx	Other Support Services- Students – Extraordinary Services
		218		Objects same as program 1xx
			xxx	Other Support Services – Students- Regular
		219		Objects same as program 1xx
			xxx	Other Support Services – Students- Special
		221		Objects same as program 1xx
			xxx	Support Services - Improvement of Instruction Services
		222		Objects same as program 1xx
			xxx	Support Services Educational Media Services – School Library
		223		Objects same as program 1xx
			xxx	Support Services Instructional Staff Training Services
		230		Objects same as program 1xx
			xxx	Support Services – General Administration
		240		Objects same as program 1xx
			xxx	Support Services – School Administration
		251		Objects same as program 1xx
			xxx	Support Services – Central Services
		252		Objects same as program 1xx
			xxx	Support Services – Administrative Information Technology Services
		260		Objects same as program 1xx
			xxx	Support Services - Operation and Maintenance of Plant Services
		270		Objects same as program 1xx
			xxx	Support Services - Student Transportation Services
		290		Objects same as program 1xx
			xxx	Other Support Services
		400		Objects same as program 1xx
			xxx	Facilities Acquisition and Construction Services
		291		Objects same as program 1xx
			xxx	Unallocated Benefits
12				Objects same as program 1xx
	105			Capital Outlay
		100		Regular Programs – Preschool
			730	Instruction
				Equipment
	110			Regular Programs – Kindergarten
		xxx	xxx	Function and object codes same as program 105
	120			Regular Programs – Grade 1-5
		xxx	xxx	Function and object codes same as program 105
	130			Regular Programs – Grade 6-8

<b>F U N D</b>	<b>P R O G R A M</b>	<b>F U N C T I O N</b>	<b>O B J E C T</b>	
		xxx	xxx	Function and object codes same as program 105
	140			Regular Programs – Grade 9-12
		xxx	xxx	Function and object code same as program 105
	150			Regular Programs – Home Instruction
		xxx	xxx	Function and object code same as program 105
	201			Special Education – Cognitive Mild
		xxx	xxx	Function and object code same as program 105
	202			Special Education – Cognitive Moderate
		xxx	xxx	Function and object code same as program 105
	204			Special Education – Language and/or Learning Disabilities
		xxx	xxx	Function and object code same as program 105
	206			Special Education – Visual Impairments
		xxx	xxx	Function and object code same as program 105
	207			Special Education – Auditory Impairments
		xxx	xxx	Function and object code same as program 105
	209			Special Education – Behavioral Disabilities
		xxx	xxx	Function and object code same as program 105
	212			Special Education – Multiple Disabilities
		xxx	xxx	Function and object code same as program 105
	213			Special Education – Resource Room/Resource Center
		xxx	xxx	Function and object code same as program 105
	214			Special Education – Autism
		xxx	xxx	Function and object code same as program 105
	215			Special Education – Preschool Disabilities – Part -Time
		xxx	xxx	Function and object code same as program 105
	216			Special Education – Preschool Disabilities – Full -Time
		xxx	xxx	Function and object code same as program 105
	219			Special Education – Home Instruction
		xxx	xxx	Function and object code same as program 105
	222			Special Education – Cognitive – Severe
		xxx	xxx	Function and object code same as program 105
	230			Basic Skills/Remedial – Instruction
		xxx	xxx	Function and object code same as program 105
	240			Bilingual Education
		xxx	xxx	Function and object code same as program 105
	301-330			Vocational Program – Local
		xxx	xxx	Function and object code same as program 105
	401-421			School -Sponsored Co-Curricular and Extra-Curricular Activities
		xxx	xxx	Function and object code same as program 105
	000			Undistributed Expenditures
		100		Instruction
			730	Equipment
		210		Other Support Services – Students - Regular [Include functions 211, 213, 218]
			730	Equipment
		21x		Other Support Services – Student Related & Extraordinary [Functions 216, 217]
			730	Equipment
		219		Other Support Services – Students – Special
			730	Equipment

F U N D	P R O G R A M	F U N C T I O N	O B J E C T
		220	Support Services – Instructional Staff [Include functions 221, 222, 223]
			730 Equipment
		230	General Administration
			730 Equipment
		240	School Administration
			730 Equipment
		251	Central Services
			730 Equipment
		252	Administrative Information Technology
			730 Equipment
		260	Operation and Maintenance of Plant Services [Include functions 261 and 262]
			730 Equipment
		270	Student Transportation
			732 Non-Instructional Equipment
			733 School Buses – Regular
			734 School Buses – Special
		290	Other Support Services
			730 Equipment
		300	Operation of Non-Instructional Services
			730 Equipment
	422-430	xx0	730 Special Schools (All Programs)
		4xx	Facilities Acquisition and Constructions Services
			100 Salaries
			331 Legal Services
			390 Other Purchased Professional and Technical Services
			450 Construction Services
			610 General Supplies
			710 Land and Improvements
			721 Lease Purchase Agreements – Principal
			722 Buildings Other Than Lease Purchase Agreements
			780 Infrastructure
			800 Other Objects
			931 Fund Transfers (Capital Reserve – Transfer to Capital Projects)
			932 Fund Transfers (Capital Outlay – Transfer to Capital Projects)
			933 Fund Transfers (Capital Reserve – Transfer to Debt Service)
13			Special Schools
	422		Summer School
		100	Instruction
			101 Salaries of Teachers
			106 Other Salaries of Instruction
			300 Purchased Professional and Technical Services
			500 Other Purchased Services (400-500 Series)
			610 Supplies, Textbooks and Materials
			640 Textbooks
			800 Other Objects
		200	Support Services
			100 Salaries

F U N D	P R O G R A M	F U N C T I O N	O B J E C T	
			200	Personal Services – Employee Benefits
			300	Purchased Professional and Technical Services
			500	Other Purchased Services (400-500 Series)
			600	Supplies, Textbooks and Materials
			800	Other Objects
	423-430			Other Special Schools
		xxx	xxx	Functions and objects same as program 422
	601			Accredited Evening/Adult High School/Post Graduate
		xxx	xxx	Functions and objects same as program 422
	602			Adult Education –Local
		xxx	xxx	Functions and objects same as program 422
	629			Vocational Education –Local
		xxx	xxx	Functions and objects same as program 422
	631			Evening School for Foreign Born – Local
		xxx	xxx	Functions and objects same as program 422
15				Whole School Reform
	110			Regular Programs-Kindergarten
		100		Instruction
			101	Salaries of Teachers
			730	Equipment
	120			Regular Programs – Grade 1-5
		100		Instruction
			101	Salaries of Teachers
			730	Equipment
	130			Regular Programs – Grade 6-8
		100		Instruction
			101	Salaries of Teachers
			730	Equipment
	140			Regular Programs – Grade 9-12
		100		Instruction
			101	Salaries of Teachers
			730	Equipment
	190			Regular Programs – Undistributed Instruction
		100		Instruction
			106	Other Salaries of Instruction
			320	Purchased Professional & Educational Services
			340	Purchased Technical Services
			500	Other Purchased Services (400-500 series)
			610	General Supplies
			640	Textbooks
			800	Other Objects
	201			Special Education – Cognitive Mild
		100		Instruction
			101	Salaries of Teachers
			106	Other Salaries of Instruction
			320	Purchased Professional & Educational Services
			340	Purchased Technical Services
			500	Other Purchased Services (400-500 series)
			610	General Supplies
			640	Textbooks

F U N D	P R O G R A M	F U N C T I O N	O B J E C T
			730 Equipment
			800 Other Objects
202			Special Education – Cognitive Moderate
	100		Instruction
		xxx	Objects same as program 201
204			Special Education – Learning and/or Language Disabilities
	100		Instruction
		xxx	Objects same as program 201
206			Special Education – Visual Impairments
	100		Instruction
		xxx	Objects same as program 201
207			Special Education – Auditory Impairments
	100		Instruction
		xxx	Objects same as program 201
209			Special Education – Behavioral Disabilities
	100		Instruction
		xxx	Objects same as program 201
212			Special Education – Multiple Disabilities
	100		Instruction
		xxx	Objects same as program 201
213			Special Education – Resource Room/Resource Center
	100		Instruction
		xxx	Objects same as program 201
214			Special Education – Autism
	100		Instruction
		xxx	Objects same as program 201
215			Special Education – Preschool Disabilities – Part Time
	100		Instruction
		xxx	Objects same as program 201
216			Special Education – Preschool Disabilities – Full Time
	100		Instruction
		xxx	Objects same as program 201
222			Special Education – Cognitive Severe
	100		Instruction
		xxx	Objects same as program 201
230			Special Education – Basic Skill – Remedial Instruction
	100		Instruction
		xxx	Objects same as program 201
240			Special Education – Bilingual Education
	100		Instruction
		xxx	Objects same as program 201
3xx			Vocational Programs
	100		Instruction
		xxx	Objects same as program 201
401			School Sponsored Co-curricular Activities
	100		Instruction
		100	Salaries
		500	Purchased Services (300-500 series)
		600	Supplies and Materials
		730	Equipment

F U N D	P R O G R A M	F U N C T I O N	O B J E C T	
			800	Other Objects
	402			School Sponsored Athletics
		100		Instruction
			xxx	Objects same as program 401
	4xx			Other Instructional Programs
		100		Instruction
			xxx	Objects same as program 401
	000			Undistributed Expenditures
		100		Instruction
			730	Equipment
		210		Other Support Services – Students – Regular [Include functions 211, 213, 218]
			730	Equipment
		211		Attendance and Social Work Services
			100	Salaries
			300	Purchased Professional and Technical Services
			500	Other Purchased Services (400-500 series)
			600	Supplies and Materials
			800	Other Objects
		213		Health Services
			xxx	Objects same as function 211
		218		Other Support Services – Students – Regular
			104	Salaries of Other Professional Staff
			105	Salaries of Secretarial and Clerical Assistants
			110	Other Salaries
			320	Purchased Professional - Educational Services
			390	Other Purchased Professional and Technical Services
			500	Other Purchased Services (400-500 series)
			600	Supplies and Materials
			800	Other Objects
		220		Support Services – Instructional Staff [Include functions 221, 222, 223]
			730	Equipment
		221		Improvement of Instruction Services
			102	Salaries of Supervisors of Instruction
			104	Salaries of Other Professional Staff
			105	Salaries of Secretarial and Clerical Assistants
			110	Other Salaries
			320	Purchased Professional –Education Services
			390	Other Purchased Professional and Technical Services
			500	Other Purchased Services (400-500 series)
			600	Supplies and Materials
			800	Other Objects
		222		Educational Media Services/School Library
			100	Salaries
			300	Purchased Professional and Technical Services
			500	Other Purchased Services (400-500 series)
			600	Supplies and Materials
			800	Other Objects
		223		Instructional Staff Training Services

F U N D	P R O G R A M	F U N C T I O N	O B J E C T	
			320	Purchased Professional –Education Services
			390	Other Purchased Professional and Technical Services
			500	Other Purchased Services (400-500 series)
			600	Supplies and Materials
			800	Other Objects
		240		Support Services – School Administration
			103	Salaries of Principals/Assistant Principals/Program Directors
			104	Salaries of Other Professional Staff
			105	Salaries of Secretarial and Clerical Assistants
			110	Other Salaries
			300	Purchased Professional and Technical Services
			500	Other Purchased Services (400-500 series)
			600	Supplies and Materials
			730	Equipment
			800	Other Objects
		260		Operation and Maintenance of Plant Services [Include functions 261, 262]
			730	Equipment
		262		Other Operation and Maintenance of Plant Services
			100	Salaries
			610	General Supplies
		270		Student Transportation Services
			512	Contracted Services – Transportation (Other than Between Home and School) – Vendors
		291		Unallocated Benefits
			210	Employee Benefits -Group Insurance
			220	Employee Benefits -Social Security Contributions
			232	Employee Benefits –T.P.A.F. Contributions - ERIP
			241	Employee Benefits - Other Retirement Contributions - Regular
			242	Employee Benefits - Other Retirement Contributions - ERIP
			250	Employee Benefits - Unemployment Compensation
			260	Employee Benefits - Workmen’s Compensation
			270	Employee Benefits - Health Benefits
			280	Employee Benefits - Tuition Reimbursement
			290	Employee Benefits – Other
20				Special Revenue Fund
	001-099			Other Local Projects- Restricted
		100		Instruction
			100	Salaries
			300	Purchased Professional and Technical Services
			500	Other Purchased Services (400-500 series)
			600	General Supplies
			800	Other Objects
		200		Support Services
			100	Salaries
			200	Personal Services – Employee Benefits
			320	Purchased Prof. Educational Services
			390	Other Purchased Professional and Technical Services
			400	Purchased Property Services

F U N D	P R O G R A M	F U N C T I O N	O B J E C T	
			580	Travel
			590	Miscellaneous Purchased Services
			600	Supplies and Materials
			860	Indirect Costs
			890	Miscellaneous Expenditures
		400		Facilities Acquisition and Construction
			720	Buildings
			731	Instructional Equipment
			732	Non-Instructional Equipment
		520		Contribution to Whole School Reform
			930	Schoolwide Programs: Abbott
	211			Early Childhood Program Aid
		100		Instruction
			101	Salaries of Teachers
			106	Other Salaries of Instruction
			300	Purchased Professional and Technical Services
			500	Other Purchased Services (400-500 Series)
			610	General Supplies
			640	Textbooks
			800	Other Objects
			56X	Transfer to Charter Schools
		200		Support Services
			102	Salaries of Supervisors of Instruction
			103	Salaries of Program Directors
			104	Salaries of Other Professional Staff
			105	Salaries of Secretarial and Clerical Assistants
			110	Other Salaries
			200	Personal Services - Employee Benefits
			321	Purchased Educational Services – Contracted Pre-K
			329	Other Purchased Professional Services – Educational Services
			330	Purchased Professional Services
			340	Purchased Technical Services
			440	Rentals
			511	Contracted Services – Transportation (Between Home & School)
			512	Contracted Services – Transportation (Wrap Around Services)
			516	Contracted Services – Transportation (Other Than Between Home & School) – Grant Agreements
			580	Travel
			590	Other Purchased Services (400-500 Series)
			600	Supplies and Materials
			890	Miscellaneous Expenditures
		400		Facilities Acquisition and Construction Services
			720	Buildings
			731	Instructional Equipment
			732	Non-instructional Equipment
		520		Funds Transfer
			930	Transfer to Other Funds (Contributions to Whole School Reform)
	212			Demonstrably Effective Program Aid
		100		Instruction
			101	Salaries of Teachers



F U N D	P R O G R A M	F U N C T I O N	O B J E C T	
			106	Other Salaries of Instruction
			300	Purchased Professional and Technical Services
			500	Other Purchased Services
			610	General Supplies
			640	Textbooks
			800	Other Objects
			56X	Transfer to Charter Schools
		200		Support Services
			102	Salaries of Supervisors of Instruction
			103	Salaries of Program Directors
			104	Salaries of Other Professional Staff
			105	Salaries of Secretarial and Clerical Assistants
			110	Other Salaries
			200	Personal Services – Employee Benefits
			320	Purchased Professional - Educational Services
			330	Other Purchased Professional Services
			340	Purchased Technical Services
			440	Rentals
			516	Contracted Services (Other Than Between Home & School) – Grant Agreements
			580	Travel
			590	Other Purchased Services
			600	Supplies and Materials
			890	Miscellaneous Expenditures
		400		Facilities Acquisition and Construction Services
			720	Buildings
			731	Instructional Equipment
			732	Non-instructional Equipment
		520		Funds Transfer
			930	Transfer to Other Funds (Contributions to Whole School Reform)
	213			Distance Learning Network Aid
		100		Instruction
			56X	Transfer to Charter Schools
		200		Support Services
			102	Salaries of Supervisors of Instruction
			103	Salaries of Program Directors
			104	Salaries of Other Professional Staff
			105	Salaries of Secretarial and Clerical Assistants
			110	Other Salaries
			200	Personal Services – Employee Benefits
			320	Purchased Professional - Educational Services
			330	Other Purchased Professional Services
			340	Purchased Technical Services
			440	Rentals
			580	Travel
			590	Other Purchased Services (400-500 Series)
			600	Supplies and Materials
			890	Miscellaneous Expenditures
		400		Facilities Acquisition and Construction Services
			720	Buildings

F U N D	P R O G R A M	F U N C T I O N	O B J E C T	
			731	Instructional Equipment
			732	Non-instructional Equipment
		520		Funds Transfer
			930	Transfer to Other Funds (Contributions to Whole School Reform)
214				Instructional Supplemental Aid
		100		Instruction
			101	Salaries of Teachers
			106	Other Salaries of Instruction
			300	Purchased Professional and Technical Services
			500	Other Purchased Services (400-500 Series)
			610	General Supplies
			640	Textbooks
			800	Other Objects
			56X	Transfer to Charter Schools
		200		Support Services
			102	Salaries of Supervisors of Instruction
			103	Salaries of Program Directors
			104	Salaries of Other Professional Staff
			105	Salaries of Secretarial and Clerical Assistants
			110	Other Salaries
			200	Personal Services – Employee Benefits
			320	Purchased Professional - Educational Services
			330	Other Purchased Professional Services
			340	Purchased Technical Services
			440	Rentals
			516	Contracted Services (Other Than Between Home & School) – Grant Agreements
			580	Travel
			590	Other Purchased Services (400-500 Series)
			600	Supplies and Materials
			890	Miscellaneous Expenditures
231-239				NCLB Title I
	xxx	xxx		Functions and objects same as program 001
241-245				NCLB Title III
	xxx	xxx		Functions and objects same as program 001
250-259				I.D.E.A. Part B
	xxx	xxx		Functions and objects same as program 001
260-264				NCLB Title V
	xxx	xxx		Functions and objects same as program 001
265-269				NCLB Title VI
	xxx	xxx		Functions and objects same as program 001
270-279				NCLB Title II
	xxx	xxx		Functions and objects same as program 001
280-289				NCLB Title IV
	xxx	xxx		Functions and objects same as program 001
290-299				Other Special Programs
	xxx	xxx		Functions and objects same as program 001
331-360				Vocational Programs – State
	xxx	xxx		Functions and objects same as program 001
361-399				Vocational Programs – Federal

<b>F U N D</b>	<b>P R O G R A M</b>	<b>F U N C T I O N</b>	<b>O B J E C T</b>	
		xxx	xxx	Functions and objects same as program 001
	431-449			Other State Projects
		xxx	xxx	Functions and objects same as program 001
	450-469			Other Federal Projects
		xxx	xxx	Functions and objects same as program 001
	501			NJ Nonpublic Textbooks Aid, C. 194
		xxx	xxx	Functions and objects same as program 001
	502			NJ Nonpublic Auxiliary Services – <b>Compensatory Education</b>
		xxx	xxx	Functions and objects same as program 001
	503			NJ Nonpublic Auxiliary – English as a Second Language
		xxx	xxx	Functions and objects same as program 001
	504			NJ Nonpublic Auxiliary – Home Instruction
		xxx	xxx	Functions and objects same as program 001
	505			NJ Nonpublic Auxiliary – Transportation
		xxx	xxx	Functions and objects same as program 001
	506			NJ Nonpublic Handicapped – Supplementary Instruction
		xxx	xxx	Functions and objects same as program 001
	507			NJ Nonpublic Handicapped – C. 193 Examination & Classification
		xxx	xxx	Functions and objects same as program 001
	508			NJ Nonpublic Handicapped – Corrective Speech
		xxx	xxx	Functions and objects same as program 001
	509			NJ Nonpublic Nursing Services
		xxx	xxx	Functions and objects same as program 001
	<b>510</b>			<b>NJ Nonpublic Technology Initiative</b>
		xxx	xxx	<b>Functions and objects same as program 001</b>
	603-618			Adult Education – State
		xxx	xxx	Functions and objects same as program 001
	619-628			Adult Education – Federal
		xxx	xxx	Functions and objects same as program 001
	630			Vocational Education – State
		xxx	xxx	Functions and objects same as program 001
	632			Evening School For Foreign Born – State
		xxx	xxx	Functions and objects same as program 001
30				Capital Projects Funds
	xxx			Programs the same as fund 12 programs
		xxx		Functions the same as fund 12 functions
			xxx	Objects the same as fund 12 objects
40				Debt Service Funds
	701			Debt Service – Regular
		510		Debt Service
			<b>723</b>	<b>Principal Paymts – Commissioner Approved Lease Purchased Agreements</b>
			<b>833</b>	<b>Interest Paymts - Commissioner Approved Lease Purchased Agreements</b>
			<b>834</b>	<b>Interest on Bonds</b>
			<b>835</b>	<b>Interest on Early Retirement Bonds</b>
			910	Redemption of Principal and Redemption on ERIP
			920	Amounts Paid into Sinking Fund
	702			Additional State School Building Aid – Chapter 177

<b>F U N D</b>	<b>P R O G R A M</b>	<b>F U N C T I O N</b>	<b>O B J E C T</b>	
		510		Debt Service
			830	Interest
			910	Redemption of Principal
	703			Additional State School Building Aid – Chapter 10
		xxx	xxx	Functions and objects same as program 702
	704			Additional State School Building Aid – Chapter 74
		xxx	xxx	Functions and objects same as program 702
60				<u>Enterprise Fund</u>
	910			Food Services
		310		Food Service Operations
			100	Salaries
			200	Personal Services – Employee Benefits
			300	Purchased Professional and Technical Services
			400	Purchased Property Services
			500	Other Purchased Services
			600	Supplies and Materials
			740	Depreciation
			870	Cost of Sales
			890	Miscellaneous Expenditures

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## **APPENDIX B**

### **SUPPLIES AND EQUIPMENT**

#### **CRITERIA FOR DISTINGUISHING SUPPLY AND EQUIPMENT ITEMS**

At one time, the federal accounting handbook published by the National Center for Education Statistics (NCES) contained lists of both supplies and equipment. Such lists can never be all-inclusive, and become outdated. Some federal, state, and local laws and regulations, usually in the form of funding programs, present conflicting criteria for distinguishing between supplies and equipment. For these reasons, the use of a supply and equipment list is not practical.

The NCES has provided, in the Financial Accounting for Local and State School Systems 2003 Edition, a set of criteria for determining whether an item is classified as equipment or a supply. The four criteria are reproduced below and are in priority order as given by NCES. Unless otherwise bound by federal, state, or local law, school districts should use these criteria in their supply/equipment classification decisions. In cases where the distinction is unclear, the district, as always, must apply reason and good judgment in making its decision.

#### **EQUIPMENT ITEMS**

An equipment item is any instrument, machine, apparatus, or set of articles which meets all the following criteria:

1. It retains its original shape, appearance, and character with use;
2. It does not lose its identity through fabrication or incorporation into a different or more complex unit or substance;
3. It is nonexpendable; that is, if the item is damaged or some of its parts are lost or worn out, it is more feasible to repair the item than to replace it with an entirely new unit;
4. Under normal conditions of use, including reasonable care and maintenance, it can be expected to serve its principal purpose for at least one year.

#### **CAPITALIZATION POLICY**

The NCES decision chart reflects the above criteria and includes an additional point (capitalization threshold). When the answer to the following question is yes, "If the item exceeds the minimum dollar value mandated by a state or other government unit (with due regard for group control of some items)", and all four of the above criteria have been met, then the item should be classified as equipment.

On January 11, 2001, the NJ Department of Education notified districts that effective July 1, 2001, the capitalization threshold (minimum dollar value for determining if an item is equipment) used by school districts in New Jersey was increased to \$2,000. This higher capitalization threshold required for accounting and financial reporting does not preclude a district from using a lower threshold for insurance or asset management/management control purposes.

#### **SUPPLY ITEM**

An item should be classified as a supply if it does not meet all the stated equipment criteria, and the cost is not more than the capitalization threshold of \$2,000.